



Attachments

General Meeting

**Wednesday 12 August 2026
at 6:30 PM**



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ATTACHMENT/S

REPORT NO. CS27/26

ITEM 1

1. 2026/27 - 2035/36 LONG TERM FINANCIAL PLAN

LONG TERM FINANCIAL PLAN

2026/27 – 2035/36



hornsby.nsw.gov.au



HORNSBY
SHIRE COUNCIL

ATTACHMENT 1 - ITEM 1

Council recognises the Traditional Owners of the lands of Hornsby Shire, the Darug and GuriNgai peoples, and pays respect to their Ancestors and Elders past and present and to their Heritage.

We acknowledge and uphold their intrinsic connections and continuing relationships to Country.

Cover image: Southern Lookout, Hornsby Park. Inside cover image: Rainbow Serpent's Cave.

ATTACHMENT 1 - ITEM 1

NEED HELP?

This document contains important information. If you do not understand it, please call the Translating and Interpreting Service on 131 450. Ask them to phone 9847 6666 on your behalf to contact Hornsby Shire Council. Council's business hours are Monday to Friday, 8.30am-5pm.



Chinese Simplified

需要帮助吗？

本文件包含了重要的信息。如果您有不理解之处，请致电 131 450 联系翻译与传译服务中心。请他们代您致电 9847 6666 联系 Hornsby 郡议会。郡议会工作时间为周一至周五，早上 8:30 - 下午 5 点。



Chinese Traditional

需要幫助嗎？

本文件包含了重要的信息。如果您有不理解之處，請致電 131 450 聯繫翻譯與傳譯服務中心。請他們代您致電 9847 6666 聯繫 Hornsby 郡議會。郡議會工作時間為周一至周五，早上 8:30 - 下午 5 點。



German

Brauchen Sie Hilfe?

Dieses Dokument enthält wichtige Informationen. Wenn Sie es nicht verstehen, rufen Sie bitte den Übersetzer- und Dolmetschendienst unter 131 450 an. Bitten Sie ihn darum, für Sie den Hornsby Shire Council unter der Nummer 9847 6666 zu kontaktieren. Die Geschäftszeiten der Stadtverwaltung sind Montag bis Freitag, 8.30-17 Uhr.



Hindi

क्या आपको सहायता की आवश्यकता है?

इस दस्तावेज़ में महत्वपूर्ण जानकारी दी गई है। यदि आप इसे समझ नहीं पाएँ, तो कृपया 131 450 पर अनुवाद और दुभाषिया सेवा को कॉल करें। उनसे हॉर्न्सबी शायर काउंसिल से संपर्क करने के लिए आपकी ओर से 9847 6666 पर फोन करने का निवेदन करें। काउंसिल के कार्यकाल का समय सोमवार से शुक्रवार, सुबह 8.30 बजे-शाम 5 बजे तक है।



Korean

?도움이 필요하십니까

본 문서에는 중요한 정보가 포함되어 있습니다. 이해가 되지 않는 내용이 있으시면, 통역번역서비스(Translating and Interpreting Service)로 전화하셔서(131 450번) 귀하를 대신하여 혼즈비 셔 카운슬에 전화(9847 6666번)를 걸어 달라고 요청하십시오. 카운슬의 업무시간은 월요일~금요일 오전 8시 30분~오후 5시입니다.



Tagalog

Kailangan ng tulong?

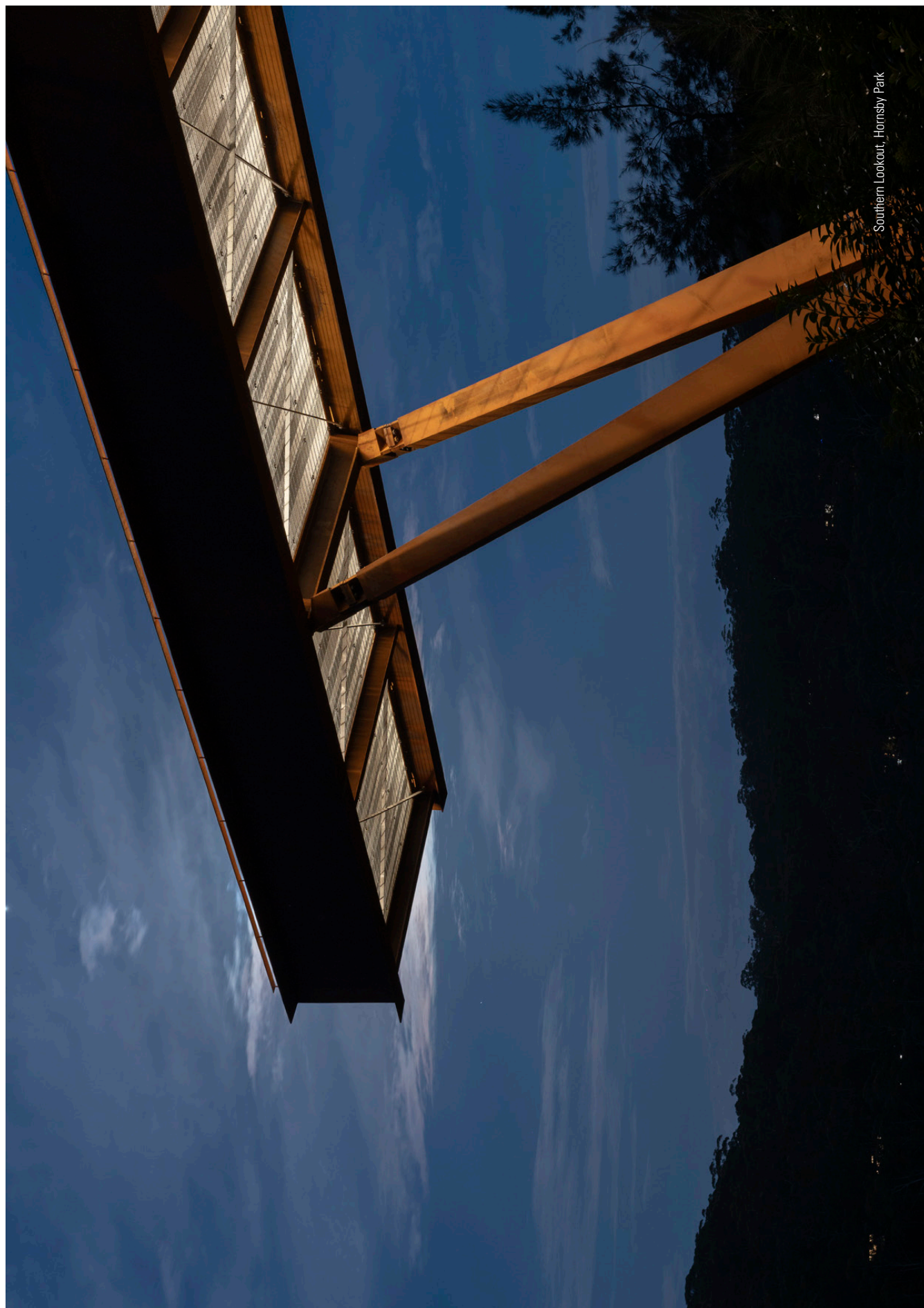
Itong dokumento ay naglalaman ng mahalagang impormasyon. Kung hindi ninyo naintindihan, pakitawagan ang Serbisyo sa Pagsasalinwika at Pag-iinterpretar (Translating and Interpreting Service) sa 131 450. Hilingin sa kaniyang tawagan ang 9847 6666 para sa inyo upang kontakin ang Hornsby Shire Council. Ang oras ng opisina ng Council ay Lunes hanggang Biyernes, 8.30n.u.-5n.h.



Farsi

آیا درازیا کمک نیاز دارید

کردار نا چنانچه، دشاب یم مهم شاعاطال طراح ندس نی هب یدافش و یتب تک مهم جرت تامدخ اب افطل، دینک یمن بناج زا دی هادوب اها زا. دیزری گب سا ایت 131 450 درامش ریاش یتب زردوه ردهش اب ارش اب 6666 9847 درامش اب امش ات هبش روه ردهش یراک شاعاط. دیزری گب سا ایت 8:30 ز. 8:00 ج شس ردهش زدهش اب 5 حبص.



Southern Lookout, Hornsby Park

ATTACHMENT 1 - ITEM 1

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EXECUTIVE SUMMARY

This ten-year forecast has been prepared during a period of heightened economic uncertainty, including persistent inflation and volatility in fuel prices from the war in the Middle East. Whilst the current external environment reduces the reliability of the economic assumptions used throughout the Plan, a revised Investment Strategy has been implemented that seeks to maximise current high interest rates set by the Reserve Bank of Australia to Council's benefit, thereby providing some protection to Council from this uncertainty through a larger annual forecast budget (cash) surplus.

Following detailed cash flow modelling, including the identification of a staged approach for the delivery of capital works for major projects, as recommended in this Plan (refer to page 33), the proportion of investments held in 2 to 5 year term products is to increase from 17% to 50% of the investment portfolio. This approach secures fixed rate returns over the medium term and is forecast to improve investment income and overall financial capacity. Some of this additional capacity has also been used to fund increased budget allocations for fuel and energy costs to provide contingency against potential future price increases, as well as adding to the average budget (cash) surplus forecast over the medium term.

A number of other financial improvement initiatives have also been implemented or progressed during the year. These include maximising returns from several commercial property holdings following a comparison to market rates and increasing some user charges and fees by CPI plus 2% to start to catch up on lost cost growth during the post-pandemic high inflation environment.

The financial improvement initiatives implemented this year supplement a series of other improvement actions progressed during the development of the previous Long Term Financial Plan. Actions included a reduction to the recurrent maintenance budget for Westleigh Park of \$800K, from \$1.4 million to \$800K to align the ongoing budget with the first stage of works; reductions to funding allocations for a number of SRV Strategic Initiatives from 2033/34 once the terms of IPART's approval for the SRV have ended; a reduction to the budget for playground upgrade works of \$200K from \$1 million to \$800K

2033/34; and a reduction in street lighting costs following the roll out of LED technology. A number of other minor improvements to divisional budgets have also been implemented to improve forecast financial capacity.

As a result of these measures, the revised Plan indicates an improvement in forecast financial capacity, with the average annual forecast budget (cash) surplus increasing by \$1.3 million, from \$2.3 million in the previous Plan to \$3.6 million in this LTFP. This improved result is also \$0.6 million above the average surplus of \$3.0 million forecast in the Plan that supported Council's Special Rate Variation (SRV) application.

A challenge over previous years has been ensuring that the 10 year forecast period of the LTFP continues to meet the same level of financial capacity forecast when the SRV was approved, being an average budget (cash) surplus of \$3 million (approximately 1.5% of the current annual budget) or more per year. At the time of the SRV approval, it was recognised that this was the level of financial capacity required to provide Council with the ability to respond to one-off budget shocks that can occur over the course of the year without affecting the normal continuance of service provision. A commitment was also made to the community during the SRV application process and community engagement of ongoing balanced budgets to ensure Council's long term financial sustainability.

With forecast financial capacity in this version of the Plan now back above the target level based on current income, expenditure and forecasting assumptions, Council is well placed to maintain long-term financial sustainability over the next 10 years, provided the recommendations outlined continue to be followed:

- No discretionary, recurrent cost increases to be incurred unless a funding source is identified.
- No new general fund positions to be created unless offset by an equivalent position elsewhere, or unless funding is identified such as from external grants, existing capital works budgets or additional income, with a business case required for the creation of new positions.

- Cash reserves to be maintained at existing levels with any funding transferred to respond to immediate financial challenges or unforeseen events to be repaid, to preserve Council's cash liquidity position over the term of this Plan and beyond.

- The upcoming revision to the Development Contributions Plan to prioritise projects that maximise development contribution funding on hand instead of Council's general fund.

- No loan borrowing to be undertaken, noting Council is currently debt free.

- Surpluses to 30 June 2030 to be set aside, if achieved to provide recreational opportunities at Westleigh Park.

- Major capital projects to be staged to reduce risk in the order of Hornsby Park Old Mans Valley South (currently ongoing), Hornsby Park Old Mans Valley North (upon completion of the South), Westleigh Park (upon completion of the previous two projects, and subject to funding). The redevelopment of Wallarobba Arts & Cultural Centre will also commence from 2026/27.

- Continuance of financial improvement initiatives (the development of business improvement plans and service reviews), having caution to potential cost increases that can arise where improvements are reliant on the implementation of new technology.

- Continue to maximise returns from Council's property holdings by continually reviewing returns to market rates.

- Continue to progress areas for improvement identified in Council's Asset Management Plans to ensure assets used by the community are maintained and renewed to the level of service required, to further protect Council from the risk of budget shocks from reactive asset maintenance.

- Future capital grants to be carefully considered, including identification of funding for ongoing maintenance and operation prior to acceptance. It is recommended that Council decline major grants for discretionary infrastructure projects, unless recurrent funding is also identified.

INTRODUCTION

Council's LTFP is a requirement under the Integrated Planning and Reporting framework for NSW Local Government and forms part of the Resourcing Strategy. The LTFP must be for a minimum of 10 years, with the purpose of making clear the financial direction of Council as well as the impact of that direction on achieving community priorities.

The main purpose of the LTFP is to guide and inform decision making in respect to Council's financial sustainability and to ensure that Council has sufficient financial resources to fund asset maintenance and renewal and provide services to the standard that the community expects. The LTFP establishes the framework for sound financial decisions and provides an insight as to the financial sustainability of the Council over the planning period of this document. The key objectives in developing this Plan are:

- Balanced Budgets and Income Statement results that provide sufficient capacity to respond to budget 'shocks' as they arise
- Maintenance into the future of a level of service that the community has come to expect
- Assets provided by Council that are designed and funded to meet a defined level of service to the community
- Continuation of Council's debt free position
- Continuation of Council's strong liquidity position and retention of cash reserves

The LTFP is based on Council's 2026/27 budget that was referred to Council for adoption on 10 June 2026. The 2026/27 budget forms year one of the ten-year Plan and future years are based on a range of forecasted assumptions used to determine:

- Forecast revenue and expenditure (Income Statement result including non-cash items prescribed by Australian Accounting Standards and a budget (cash)/ liquidity result in the same format as reported to Council through the annual budget cycle/integrated Planning and Reporting Framework).
- Balance Sheet and Cash Flow Statements.

In addition to the presentation of financial results, information is provided in respect to:

- Financial planning assumptions used.
- Risks and opportunities.
- An analysis of results and factors likely to affect the Plan.
- Recommendations to achieve financial sustainability.

This Plan seeks to ensure that Hornsby Shire Council can be financially sustainable and prosperous, delivering a normal continuance of services into the future.



FINANCIAL OBJECTIVES

In preparing the LTFP several key objectives have been considered. These objectives are listed below.

Balanced Budgets/Income Statement Result that provide sufficient capacity to respond to budget 'shocks' as they arise

Council has a strong commitment to adopting annually a balanced budget and budget (cash) surplus in a range of 1.5% (currently in the order of \$3 million per year) to enable Council to respond in a timely manner towards budget shocks including infrastructure assets that may fail, the impact of natural disasters on local service provision and cost shifting from other tiers of government.

Examples of previous events that have guided this targeted operating performance ratio include:

- A program to implement an asbestos remediation plan for Council's administration building from 2020 to 2024 including the identification of funding to re-install office furniture and utilities across 2023 and 2024.
- Remediation at Foxglove Oval, Mount Colah which has presented issues due to this site being a historic landfill.
- Absorbing reduced income and increased costs as a result of service shutdowns, physical distancing and lock downs from the COVID-19 pandemic throughout 2020 and 2021, as well as the ongoing economic consequences from the pandemic.
- Investment income returns – investment returns have fluctuated over recent years with the majority of Council's investment products linked to the base rate set by the Reserve Bank of Australia. When the base rate was reduced to 0.1% Council's budget for investment income was reduced significantly. Council's investments in managed funds with NSW Treasury Corporation also experienced significant volatility during the post COVID-19 economic recovery and an unrealised loss of \$1.44 million was recorded for the year ended 30 June 2022, which contributed to investment returns \$2.35 million below the budgeted amount of income for the year.

- The 2016 boundary adjustment and abandonment of amalgamation plans for the Shire that left Council with a yearly reduction of \$10 million in revenue, without a commensurate reduction in costs.

- The implementation of state mandated initiatives such as the Audit Risk and Improvement Committee requirements that must be funded every year recurrently.

- Three declared Natural Disasters in the Hornsby Local Government Area between 2018 and 2022. Each of these events incurred extensive clean-up costs that were unable to be recouped from the NSW Government. Furthermore, flooding caused significant damage at Wisemans Ferry that added \$3.57 million to the cost of Council's project to construct a new boat ramp and associated infrastructure.

Should a surplus budget be generated at the end of a financial year, the surplus amount is typically directed towards the Capital Projects and Restricted Working Funds account, which is used to fund key strategic capital projects that require reasonable capital investment from the Council, or to fund cash shortfalls in future years of the Plan. Council has indicated a preference to set aside the surpluses forecast up until 2030 to progress recreational opportunities at Westleigh Park. This is consistent with Council's objective to maintain prudent financial management of its finances and to allocate financial surpluses towards key strategic issues.

Assets provided by Council that are designed and funded to meet a desired level of service of the community

The Asset Management Planning section (page 18) includes further information with regards to ensuring Council's assets are maintained and renewed to the level of condition required.

Continuation of Council's Debt Free Position

Council became debt free in June 2023 and the only ongoing borrowing costs after this point represent notional interest recognised for leased

IT equipment, in line with accounting standards. This Plan includes a recommendation for no further loan borrowing to be undertaken in place of prudent financial management whereby unfunded initiatives are delivered only after funding has been set aside from the actual 30 June budget surplus each year.

Continuation of Council's historically strong liquidity position and retention of cash reserves

Council has maintained a healthy liquidity position through the retention of cash reserves. These cash and internal restricted asset reserves were gradually accumulated over a long period of time through an ongoing commitment to prudent financial management over successive terms of Council.

Council is fortunate to have access to the reserves on hand to call upon when needed, noting that many Councils in the State are not in this favourable position, with a number encountering financial sustainability issues over recent years.

From time-to-time Hornsby Shire has called upon cash reserves to ensure that significant unavoidable events that occur rarely but that have significant financial ramifications could be funded without the need to request assistance from other levels of government, borrow externally or cut services. Most recently this included calling upon funds to remediate the Administration Centre following the discovery of asbestos, and to balance the Annual Budget during the COVID-19 pandemic to offset lost income from lock down measures. Whilst cash reserves were utilised in each of these scenarios, they have been repaid in future years to ensure Council's liquidity levels could be maintained over the long term.

Because of the importance of historic cash reserves to ensure the long-term sustainability of Council the Plan has been prepared on the assumption that cash reserves will be retained. The Plan therefore recommends that historic cash reserves are always replenished in unavoidable instances when they are called upon (page 33).



First visitors arriving at the opening of Hornsby Park

ATTACHMENT 1 - ITEM 1

ASSUMPTIONS

Council's Best Estimate from Applying Financial Assumptions

The key financial information within this document are results based on the most recent annual budget for year one, and a range of forecast financial assumptions for years two to nine, as set out below. These assumptions can change due to variations in economic conditions and/or a change in priorities set by Council and are therefore updated each time the Plan is revised.

Operating Expenditure Assumptions

The major expense categories for Council's operating budget are:

- Employee benefits and on-costs
- Borrowing expenses
- Materials and services
- Depreciation (non-cash)
- Other expenses

Employee Benefits and On-costs

Employee costs include salaries, wages, superannuation, leave entitlements, workers compensation premiums and other employee related expenses. Most employee related costs increase based on the local government award increase each year. At the date of preparing this Plan the 2026/27 – 2028/29 Local Government Award is in negotiation, therefore an increase of 4% has been estimated for these years, based on the latest status of negotiations. Local Government Award increases beyond the next 3 years are unknown, therefore the forecast expenditure increase has been based on the Wage Price Index, sourced from BIS Oxford Economics from 2030 until the end of the Plan.

	2028	2029	2030	2031	2032	2033	2034	2035	2036
Salaries	4.0%	4.0%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%



ASSUMPTIONS

Additional employee related assumptions include:

- No material change expected in existing staff numbers and employee working hours.
- Workers' compensation expense expected to increase in line with salaries and wages.
- As a method of cost containment and to account for savings from vacancies that occur from normal operations, the Plan includes a budget for 50 weeks of the year for each position in Council's approved organisation chart, which results in an effective annual productivity measure of 4% (compared to if the Plan included costs for all 52 weeks of the year). This matter is analysed further in a sensitivity analysis on page 31.

Borrowing Expenses

A key objective by Council in previous versions of this Plan has been to reduce the level of external borrowing. This objective was achieved in 2023 when Council became debt free. Therefore, this Plan is predicated on no loan borrowing, with the only remaining borrowing expenses in Council's Income Statement relating to notional interest on operating leases for IT equipment, recognised in the Income Statement as required by Australian Accounting Standards.

Materials and Services & Other Expenses

Local government expenditure is characterised by high levels of materials and services. Materials and services are used in the creation and maintenance of assets and to provide recurrent operational services. Items such as street lighting, utility costs, insurances and legal expenses are also included.

Other Expenses include statutory charges payable to other levels of government such as the Emergency Services Levy and State Revenue infringing processing fees.

The Consumer Price Index (CPI), sourced from BIS Oxford Economics has been chosen to model these expenses over the term of the Plan.

	2028	2029	2030	2031	2032	2033	2034	2035	2036
CPI	2.9%	2.9%	2.9%	2.6%	2.6%	2.6%	2.6%	2.6%	2.5%



Pyes Creek Swing Bridge, Cherrybrook

ASSUMPTIONS

Additional material and service related assumptions include:

- The inclusion of 10-year forecasts for asset maintenance as required by Council’s Asset Management Plans, as noted within the Asset Management Planning section of this report (page 18).
- Allocations for Strategic Initiatives funded from the Special Rate Variation that align with Council’s application for the variation, including a maintenance allocation for Hornsby Park.
- Provision of funding for the Council election in line with the 4-year cycle.

Depreciation (non-cash)

Depreciation is a non-cash allowance made in the Financial Statements for “wear and tear” and “technical obsolescence” of plant and equipment. The idea of depreciation is to spread the cost of a capital asset over the period of its “useful life to the entity,” that currently owns it. Depreciation forecasts relate to existing assets and forecast capital works program. Council’s assets are also progressively revalued to fair value in accordance with Australian Accounting Standards, with each revaluation typically resulting in increased depreciation, as replacement costs rise over time.

Historically, analysis has shown that Council’s depreciation expense typically increases by around 1.3% greater than CPI because construction costs have generally risen faster than CPI over the past decade. The Roads, Bridges and Construction Price Index published by the ABS is used for the annual indexing of asset values for revaluation purposes, but a forecast of this index is not available. Therefore, Council’s historic experience for depreciation to rise 1.3% greater than CPI has been used to calculate an index for this non-cash expense:

CPI+1.3%	2028	2029	2030	2031	2032	2033	2034	2035	2036
Assets	4.2%	4.2%	4.2%	3.9%	3.9%	3.9%	3.9%	3.9%	3.8%



Crosslands Reserve, Hornsby Heights

ASSUMPTIONS

Revenue Assumptions

The major revenue categories for Council's operating budget are:

- Rates and Annual Charges
- User Charges and Fees
- Interest and investment revenue
- Other revenues and other income
- Grants and contributions provided for operating and capital purposes

Rates and Annual Charges

Rates and Annual Charges are a major source of Council's revenue, typically representing more than 80% of own source revenue each year. The amount of rates income a council may levy is limited by an approved rate peg set by the Independent Pricing and Regulatory Tribunal (IPART). The Rate peg refers to the process in which the NSW State Government determines annually the total allowable increase in rates expressed as a percentage. This allowable increase is announced annually. IPART and Councils are only permitted to increase rates by more than this amount if they have made a successful application to IPART for a Special Rate Variation (SRV).

Council's 2023 application for an SRV was successful with IPART approving Council for four consecutive rate increases (inclusive of the rate peg) of 8.5% in 2023/24, 7.5% in 2024/25, 6.5% in 2025/26 and 5.5% in 2026/27. As this Plan commences in the last year of the SRV it includes the final SRV increase of 5.5% in the first year (2026/27).

Forecasting expected income from rates when an SRV is not in place (e.g. beyond 2027) is notoriously challenging as the rate peg is based on methodology set by IPART and forward projections for future years are not published. However, following significant changes to IPART's methodology to improve alignment to the cost increases of individual Council's it is expected that over time the rate peg should now trend in line with the majority of Council expenditure (materials and services, and other expenses). As forecast CPI is used to project the cost of these expenses into the future, forecast CPI has also been used to forecast rate increases over the life of the Plan, commencing after the final year of the SRV from 2027/28:

	2028	2029	2030	2031	2032	2033	2034	2035	2036
SRV/CPI (Rate Peg)	2.9%	2.9%	2.9%	2.6%	2.6%	2.6%	2.6%	2.6%	2.5%



ASSUMPTIONS

User Charges and Fees

Many of the services provided by Council are offered on a user-pays basis. There is however a range of other factors that Council considers in determining an appropriate fee for its services. The Consumer Price Index (CPI) has also been chosen as the relevant factor in modelling this income over the term of the Plan as fees are increased by Council each year using the prior year 30 June actual CPI:

	2028	2029	2030	2031	2032	2033	2034	2035	2036
CPI	2.9%	2.9%	2.9%	2.6%	2.6%	2.6%	2.6%	2.6%	2.5%

Previously approved increases for User Charges and Fees were based on estimated forward projections of CPI, rather than CPI as at 30 June in the year prior, which has resulted in Council missing out on cost growth during the high inflationary environment that occurred between 2022 and 2024, which proved challenging for economists to predict. The impact is that Council has increased User Charges and Fees by a lesser extent than actual price growth:

	2022	2023	2024	Total
Council Increase	1.40	2.10	3.50	7.00
Actual CPI (RBA)	6.10	6.00	3.60	15.70
Difference	4.70	3.90	0.10	8.70

Many of Council's Fees were previously calculated using Partial Cost Recovery or Full Cost Recovery methodology and are therefore dependent upon actual cost increases incurred by Council each year being accurately reflected to ensure pricing remains appropriate. Previous versions of this Plan included recommendations for Council to consider increasing User Charges and Fees to catch up on this missed cost growth. This has now commenced with fees for Parks and Community Services increasing by CPI (2.7%) plus 2% (4.7% in total) from 2026/27. This issue will not reoccur as a rearward looking measure is now used to set annual fee increases (e.g. actual CPI as at 30 June in the prior year).



Shared pathway, Ramsay Road, Pennant Hills

ASSUMPTIONS

Interest and Investment Revenue

Interest on investments will vary over the planning period due to cash-flow levels and interest rate percentages. The LTFP calculates interest on forecast investments based on estimated cash-flow (allowing for estimated infrastructure project expenditure) and a forecast of the base rate set by the Reserve Bank of Australia. The margins earned on each of Council's investment products above the base rate have been sourced from Council's investment advisor, Prudential Investment Services and a forecast base rate has been sourced from BIS Oxford Economics.

This version of the Plan includes an ambitious investment income forecast due to the implementation of a strategy that seeks to maximise the current base rate, which is elevated above historic averages. After modelling cash flow, including agreeing to a staged approach for major capital projects, the portion of investments in 2 to 5 year products will increase from 17% to 50%, thereby securing fixed rate returns over a longer period of time than historically achieved.

Whilst this strategy will be used to increase Council's financial capacity over the next 5 years, the latter 5 years of the Plan are more uncertain and there is a risk (page 30) that possible changes to the base rate could erode financial capacity. A sensitivity analysis has therefore been undertaken to assess whether the surpluses forecast in this Plan are sufficient, should investment returns reduce (page 32).

Other Revenues and Other Income

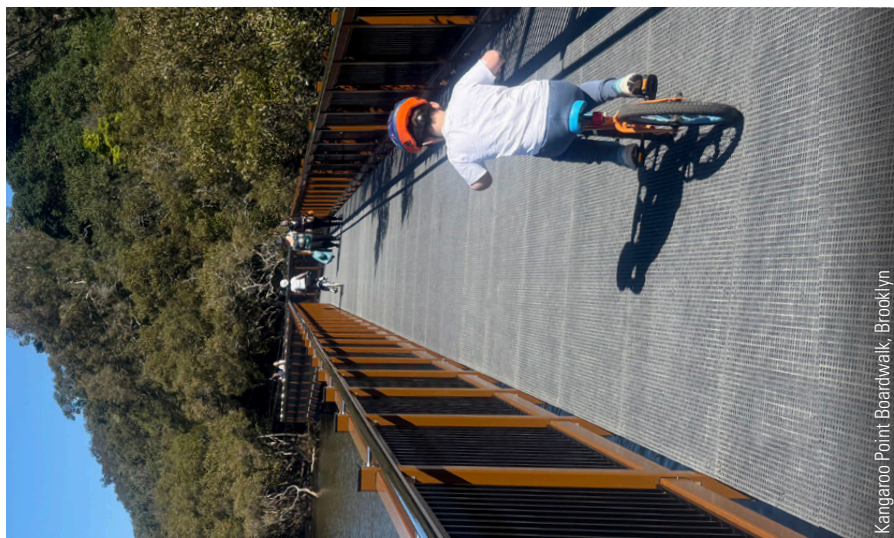
Other revenue and other income is obtained from a variety of sources including insurance recoveries, parking fines, legal costs recovered, property rentals, etc. It is anticipated that other revenue and other income will be maintained at current levels, plus forecast CPI.

Grants and Contributions

Council receives a number of operational and capital grants from various Federal and State Government agencies, and capital contributions.

Capital contributions such as Section 7.11 Development Contributions are expected to continue in line with current income levels, which represents a decline in development activity since the peak in Hornsby Shire between 2015 and 2017. Capital contributions received in respect to Council's Section 7.11 Development Contribution Plan are to be spent in accordance with the works program identified in this Plan.

It is anticipated that grants and contributions will reduce compared to peak levels over previous years when large grants from other government agencies were provided during recovery from the COVID-19 pandemic, and as a form of compensation for the 2016 boundary adjustment. The current level of grant income has been used to forecast future years with income only predicted to continue where agreements are in place, or where there is an extensive past history of recurrent grants being provided from year to year.



Kangaroo Point Boardwalk, Brooklyn

ASSUMPTIONS

Capital Expenditure

Capital expenditure represents expenditure towards both the creation of new infrastructure assets and the renewal of existing assets (i.e. roads, drainage, footpaths and sportsgrounds). This expenditure category also includes capital purchases (i.e. information technology, fleet and plant assets).

Council's capital works program in the base LTFP is forecast to average \$44.4 million per year and is largely funded by external grants and restricted assets, as well as from general funds. Whilst detailed year by year expenditure forecasts over the next ten years are not known for major projects, the level of external funding that will be available is confirmed, as is the order in which capital works will be undertaken with a staged approach agreed to help protect Council from the financial risk of cost escalations. Forecast capital works over the next ten years has therefore been based on a continuance of normal services, largely comprising ongoing asset management and SRV allocations for the renewal of existing assets, plus major works in the order of Hornsby Park Old Mans Valley South (currently ongoing), Hornsby Park Old Mans Valley North (upon completion of the South), Westleigh Park could then follow, subject to funding. Although smaller in scale, the redevelopment of Wallarobba Arts & Cultural Centre will also commence from 2026/27.

	2027	2028	2029	2030*	2031	2032	2033	2034	2035	2036
Capital	\$61,084,498	\$61,254,768	\$48,510,979	\$36,971,839	\$37,617,531	\$38,811,269	\$39,758,215	\$39,043,956	\$40,055,729	\$41,057,122

*A budget for Westleigh Park has not yet been included, as funding is not yet guaranteed.

SPECIAL RATE VARIATION (SRV)

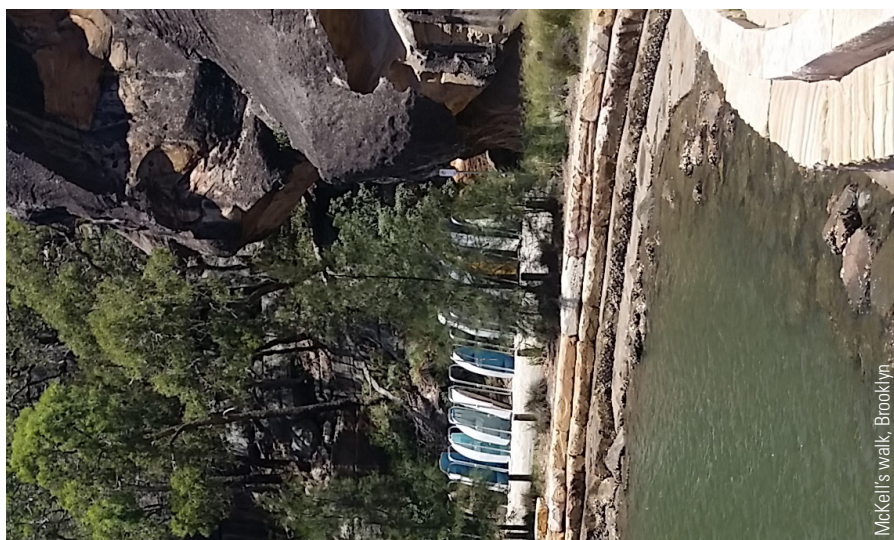
The Plan has been prepared in line with the SRV approved by IPART in June 2023.

Previous versions of the LTFP adopted by Council in July 2022 and November 2022 concluded that forecast financial capacity was below acceptable levels and action was required to ensure that recurrent services, including allocating appropriate budgets for asset maintenance and renewal could be provided in a sustainable manner into the future. Accordingly, these Plans recommended Council to consider a Special Rate Variation (SRV) to rebalance financial capacity over the long term. A special rate variation was recommended in the first instance because of the quantum of funds required to provide balanced budgets. Income from rates typically makes up more than 80% of Council's own source of revenue each year and was the only revenue stream with the capacity to provide the level of funding required.

To ascertain the extent of the SRV a range modelling was undertaken with consideration of each of the matters identified above, as well as the need to maintain a budget (cash) surplus in the order of \$3 million per year to respond to future shocks. This derived a total rate increase of 28% (31% cumulative increase) over 4 years inclusive of the estimated annual rate peg and comprising four consecutive rate increases of 8.5% in 2023/24, 7.5% in 2024/25, 6.5% in 2025/26 and 5.5% in 2026/27.

Following the adoption of the November 2022 LTFP, Council commenced a project to apply to the Independent Pricing and Regulatory Tribunal (IPART) for the increase required. The project included numerous Councilor workshops, extensive community engagement and decisions from Council for the application to proceed.

An approval was granted by IPART in full in June 2023 and Council was issued an Instrument of Approval that governs the funding allocations sought to ensure that they can only be allocated and expended in line with the original application for the SRV.



McKell's walk, Brooklyn

ASSET MANAGEMENT PLANNING

Prior to the SRV, successive versions of the LTFP recommended that Council's Asset Management Plans be updated to provide evidence-based estimates for future asset maintenance and renewal expenditure. This work was completed prior to Council's application with an Asset Management Strategy and revised Asset Management Plans prepared that covered 95% of Council's depreciable asset base.

The need to fund additional average expenditure of \$4.1 million per year was identified, with this amount included in Council's application for the SRV. Since the success of the SRV, Council has continued the revision of asset management planning across the Shire, including completing ongoing condition assessments and progressing areas for improvement identified in the Asset Management Strategy, including collecting data for some small groups of assets that were not previously included. A quarterly Asset Management Governance Committee has been established to assist with the progression of actions identified, and to ensure that SRV funding is expended in accordance with the terms of IPART's approval.

Completing each of the actions identified will provide further assurance of Council's ability to maintain its asset base into the future and will further reduce the risk of budget shocks from asset failure or reactive remediation work that could affect the budget in any given year. Accordingly, this Plan includes a recommendation for the points raised within the Asset Management Strategy to be progressed (page 33)

Hornsby Park

Due to its size, the SRV includes a separate allocation to fund the ongoing renewal and maintenance costs for Hornsby Park from 2026:

	2026	2027	2028	2029	2030	2031	2032	2033 Onwards
Hornsby Park Renewals	\$716,000	\$716,000	\$1,603,000	\$1,641,000	\$1,681,000	\$1,721,000	\$1,764,000	\$1,808,000
Hornsby Park Operations & Maintenance	\$684,000	\$684,000	\$1,532,000	\$1,568,000	\$1,606,000	\$1,645,000	\$1,686,000	\$1,728,000

STRATEGIC INITIATIVES

The Special Rate Variation also provided funding for strategic initiatives identified in a series of technical and evidence-based strategies adopted by Council:

Strategic Initiative	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Community climate change mitigation and adaptation	160,000	160,000	160,000							
Bushfire risk mitigation	319,000	561,000	666,000	644,000	428,000	428,000	428,000	428,000	428,000	428,000
Hello Hornsby (social planning events)	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Renewal of public amenity buildings (e.g. toilet blocks within Parks)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Upgrading community infrastructure for disability requirements	431,000	431,000	431,000	431,000	431,000	431,000	431,000	431,000	431,000	431,000
Renewal and upgrade of community changing rooms (sports ground facilities)	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
Prioritised stormwater drainage	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Enhancing Cyber Security maturity	250,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Track and trail asset management	63,000	66,000	69,000	72,000	76,000	80,000	84,000	88,000	92,000	97,000
Track and trail upgrade including accessibility and signage	260,000	273,000	287,000	301,000	316,000	332,000	348,000	366,000	384,000	403,000
Connected walking and cycling paths	1,392,600	1,392,600	1,392,600	1,392,600	1,392,600	1,392,600	1,392,600	1,392,600	1,392,600	1,392,600
Pennant Hills Town Centre Review				250,000	250,000	250,000	250,000			
Bushland reserve asset management	750,000	788,000	827,000	868,000	912,000	957,000	1,005,000	1,055,000	1,108,000	1,164,000
New and upgraded play spaces	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Total	6,440,600	6,586,600	6,747,600	6,873,600	6,720,600	6,785,600	6,853,600	6,675,600	6,750,600	6,830,600

STRATEGIC INITIATIVES

Council is bound by the terms of IPART’s approval to allocate funding for the Strategic Initiatives originally included in its application until 30 June 2033. After this date, Council is legally able to reduce or reallocate funding as required, such as to align with changed priorities or new strategic direction.

During the development of the 2025/26 – 2034/35 LTFP, funding for a number of initiatives was reduced to improve forecast financial sustainability. Initiatives to mitigate risk (e.g. bushfire risk & cyber security) or that fund the maintenance and renewal of existing assets were not reduced:

Strategic Initiative	Year 10 of SRV (2033)	Reduction	Future Allocations
Renewal of public amenity buildings (e.g. toilet blocks within Parks)	1,000,000	-300,000	700,000
Renewal and upgrade of community changing rooms (sports ground facilities)	650,000	-150,000	500,000
Prioritised stormwater drainage	1,000,000	-500,000	500,000
Track and trail upgrade including accessibility and signage	403,000	-150,000	253,000
Connected walking and cycling paths	1,392,600	-392,600	1,000,000
New and upgraded playspaces	85,000	-85,000	0
Total	6,830,600	-1,577,600	5,253,000



RESULTS

Budget (Cash Liquidity Result)

Hornsby Shire Council											
10 Year Financial Plan											
BUDGET SUMMARY - GENERAL FUND											
	Current Year	Projected Years									
	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Income from Continuing Operations											
Rates & Annual Charges	134,793,596	144,804,275	153,833,735	159,894,991	166,577,483	172,318,604	178,279,499	184,489,408	189,877,752	195,448,139	201,062,942
User Charges & Fees	15,078,435	15,859,194	16,319,111	16,792,365	17,279,343	17,728,608	18,189,550	18,662,478	19,147,703	19,645,543	20,136,682
Other Revenues	4,179,866	4,802,676	4,723,394	4,847,612	4,975,433	5,093,354	5,214,341	5,338,474	5,465,835	5,596,506	5,725,419
Grants & Contributions provided for Operating Purposes	7,977,565	12,947,451	13,322,927	13,709,292	14,106,861	14,473,639	14,849,954	15,236,053	15,632,190	16,038,627	16,439,593
Grants & Contributions provided for Capital Purposes	17,288,961	13,155,502	10,300,000	10,450,800	10,605,973	10,749,129	10,896,006	11,046,702	11,201,316	11,359,950	11,516,449
Interest & Investment Revenue	8,928,962	14,612,573	12,716,325	11,786,845	11,683,685	10,842,320	10,997,701	11,159,454	11,327,838	11,503,126	11,685,600
Fair value increment on investment properties	250,000	350,000	360,150	370,594	381,342	391,256	401,429	411,866	422,575	433,562	444,401
Other Income	2,844,734	3,582,124	3,686,005	3,792,900	3,902,894	4,004,369	4,108,483	4,215,304	4,324,901	4,437,349	4,548,283
Total Income from Continuing Operations	191,342,138	209,913,794	215,061,646	221,445,399	229,513,015	235,601,278	242,936,964	250,539,739	257,400,111	264,462,803	271,559,369
Expenses from Continuing Operations											
Employee Benefits & On-Costs	61,183,169	64,053,552	66,335,983	68,989,422	71,197,084	73,475,391	75,826,603	78,253,054	80,757,152	83,341,381	86,008,305
Borrowing Costs	18,000	12,000	12,324	12,657	12,973	13,298	13,630	13,971	14,320	14,678	15,045
Materials & Contracts	75,746,875	81,598,067	93,394,305	98,820,205	98,505,356	103,549,746	107,575,500	110,575,113	113,549,426	117,826,384	121,009,077
Depreciation & Amortisation	26,559,589	27,781,370	28,944,408	30,156,293	31,419,077	32,734,898	34,008,049	35,330,853	36,705,247	38,133,241	39,578,884
Other Expenses	5,100,824	4,885,826	5,027,515	5,173,313	5,323,339	5,461,746	5,603,751	5,749,449	5,898,934	6,052,307	6,203,614
Net Losses from the Disposal of Assets	2,500,000	2,627,250	2,732,340	2,841,634	2,955,299	3,073,511	3,196,451	3,324,309	3,457,282	3,595,573	3,739,396
Total Expenses from Continuing Operations	171,108,457	180,958,065	196,446,875	205,993,524	209,413,128	218,308,589	226,223,985	233,246,749	240,382,360	248,963,563	256,554,321
Net Operating Profit/(Loss) for the Year	20,233,681	28,955,729	18,614,772	15,451,876	20,099,887	17,292,689	16,712,979	17,292,989	17,017,750	15,499,239	15,005,048
Capital (Balance Sheet) and Reserve Movements											
Capital Expenditure	(51,355,761)	(61,084,498)	(61,254,788)	(48,510,979)	(36,971,839)	(37,617,531)	(38,811,269)	(39,758,215)	(39,043,956)	(40,055,729)	(41,057,122)
ELE Provisions paid out	(956,069)	(956,069)	(956,069)	(956,069)	(956,069)	(956,069)	(956,069)	(956,069)	(956,069)	(956,069)	(956,069)
Proceeds from Sale of Intangible & tangible Assets	1,000,000	1,000,000	1,023,000	1,053,841	1,089,547	1,117,876	1,146,940	1,176,761	1,207,357	1,238,748	1,269,717
Non-cash Expense Contra Income	29,059,589	30,408,620	31,676,748	32,997,926	34,374,376	35,808,409	37,204,501	38,655,163	40,162,528	41,728,814	43,318,280
Net Transfers (to)/from Reserves	3,365,643	7,044,453	13,539,964	1,330,767	(13,472,181)	(12,247,822)	(12,057,388)	(13,719,403)	(13,388,012)	(12,943,041)	(13,654,001)
Total Capital (Balance Sheet) and Reserve Movements	(18,886,598)	(23,587,494)	(15,965,126)	(14,079,513)	(16,936,166)	(13,895,137)	(13,473,286)	(14,601,764)	(12,018,152)	(10,987,276)	(11,079,195)
Net Result (including Depreciation & Other non-cash items)	1,347,083	5,368,235	2,649,646	1,372,363	4,163,722	3,397,552	3,239,694	2,691,225	4,999,598	4,511,963	3,925,853
Add back Depreciation Expense (non-cash)	26,559,589	27,781,370	28,944,408	30,156,293	31,419,077	32,734,898	34,008,049	35,330,853	36,705,247	38,133,241	39,578,884
Add back written down value of assets disposed	2,500,000	2,627,250	2,732,340	2,841,634	2,955,299	3,073,511	3,196,451	3,324,309	3,457,282	3,595,573	3,739,396
Less Other Income (non-cash)	(29,059,589)	(30,408,620)	(31,676,748)	(32,997,926)	(34,374,376)	(35,808,409)	(37,204,501)	(38,655,163)	(40,162,528)	(41,728,814)	(43,318,280)
Cash Budget Surplus/(Deficit)	1,347,083	5,368,235	2,649,646	1,372,363	4,163,722	3,397,552	3,239,694	2,691,225	4,999,598	4,511,963	3,925,853
Average Cash Surplus (2026/27 to 2035/36)											3,631,985

RESULTS

Commentary on Results – Budget (Cash Liquidity Result)

The forecast budget (cash) surplus over the ten-year term of the Plan has improved compared to the previous version. The average yearly forecast budget (cash) surplus is now \$3.6 million, \$1.3 million greater than the surplus of \$2.3 million forecast in the previous Plan.

This improved result is also \$0.6 million above the average surplus of \$3.0 million forecast in the Plan that supported Council's Special Rate Variation (SRV) application. This revised result therefore exceeds the target that has been set since the SRV was approved (e.g. achieving a forecast budget (cash surplus) of at least \$3.0 million per year) to ensure sufficient financial capacity is forecast to fund the normal continuance of service provision into the future, whilst providing the ability to respond to unforeseen budget shocks that can occur from year to year.

Version of Plan	Average Budget (Cash) Result
2026/27 – 2035/36 (this Plan)	\$3,631,985
2025/26 – 2034/35	\$2,286,901
2024/25 – 2033/34	\$2,304,325
2023/24 – 2032/33 (Plan used to support SRV)	\$2,996,613
Connected walking and cycling paths	1,392,600

The increase in forecast financial capacity above the target level is due to the completion of a number of financial improvement initiatives, some of which were identified in previous versions on the Plan, as well as several new initiatives implemented this year:

New Financial Improvement Initiatives

- Investment Strategy Review – This version of the Plan includes a revised investment strategy to maximise returns whilst interest rates are elevated, while maintaining compliance with legislative and policy requirements. Following detailed cash flow modelling, including the staged delivery of major projects (page 33) the portion of investments held in 2 to 5 year products will increase from 17% to 50%. This approach will secure higher fixed rate returns over a longer period of time and is forecast to generate significant additional investment income.
- Commercial Property Holdings – In line with the recommendation in previous versions of this Plan, returns for a number of commercial property holdings have increased following a comparison to market rates. As a result, rental income is forecast to increase by \$500K per year from 2026/27.

- User Charges & Fees – As identified (page 10), a number of Fees and Charges have not kept pace with operating cost price growth during the post covid-19 pandemic high inflation environment. Successive versions of the LTFP have recommended that Council consider increasing User Charges and Fees by more than CPI to catch up. This process has now commenced with fees for Parks and Community Services increasing by CPI plus 2% (4.7% in total) from 2026/27.

The above initiatives have enabled an additional, annual budget allocation of \$870K per year within the LTFP from 2026/27. This allocation provides contingency for energy driven price increases greater than CPI, including fuel price rises caused by the war in the Middle East and increases in electricity costs expected on renewal of Council's contract for facilities later this year.

Recurrent Improvement Initiatives from Previous Plan

The following financial improvement initiatives, which were included in the previous LTFP are also retained in this version of the Plan:

- Westleigh Park Maintenance and Renewal Budget - Reduction of \$600K from \$1.4 million to \$800K to align recurrent funding with the first stage of works only.
- SRV Strategic Initiatives – Reduction in funding allocations from 2033/34 once the terms of IPART's approval for the SRV end, saving \$1.58 million (page 19).
- Playground Upgrade recurrent budget – Reduction of \$200K from \$1 million to \$800K per year from 2033/34.
- Other Efficiencies (implemented in 2025/26):
- Street lighting budget reduction of \$68K due to lower costs from the installation of LED technology.
- Removal of one full-time staff position from the Infrastructure & Major Projects Division, saving \$130K per year, inclusive of superannuation.
- Reduction to the Property Strategy consultancy budget of \$70K, from \$120K to \$50K.

Budget Results Conclusion

The forecast budget (cash) result indicates that, based on current income, expenditure and forecasting assumptions, Council should remain financially sustainable over the next 10 years, provided the recommendations included in this Plan continue to be followed (page 33).

ATTACHMENT 1 - ITEM 1

RESULTS

Income Statement (Non-Cash Result)

Hornsby Shire Council 10 Year L TFP	Actuals 2024/25	Current Year 2025/26	Projected Years									
			2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
INCOME STATEMENT - GENERAL FUND	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations												
Rates & Annual Charges	126,012,000	134,793,596	144,804,275	153,633,735	159,694,991	166,577,483	172,318,604	178,279,499	184,469,408	189,877,752	195,448,139	201,062,942
User Charges & Fees	16,427,000	15,078,435	15,859,194	16,321,492	16,794,805	17,281,845	17,731,170	18,192,178	18,665,172	19,150,464	19,648,373	20,139,583
Other Revenues	4,636,000	4,179,866	4,602,676	4,723,394	4,847,612	4,975,433	5,093,354	5,214,341	5,338,474	5,465,835	5,596,506	5,725,419
Grants & Contributions provided for Operating Purposes	13,562,000	7,977,565	12,947,451	13,322,927	13,709,292	14,106,861	14,473,639	14,849,954	15,236,053	15,632,190	16,038,627	16,439,593
Grants & Contributions provided for Capital Purposes	41,945,000	17,288,961	13,155,502	10,300,000	10,450,800	10,605,973	10,749,129	10,896,006	11,046,702	11,201,316	11,359,950	11,516,449
Interest & Investment Revenue	14,475,000	8,928,982	14,612,573	12,716,325	11,786,845	11,683,685	10,842,320	10,997,701	11,159,454	11,327,838	11,503,126	11,685,600
Fair value increment on investment properties	4,051,000	250,000	350,000	360,150	370,594	381,342	391,256	401,429	411,866	422,575	433,562	444,401
Other Income	4,013,000	2,844,734	3,582,124	3,686,006	3,792,900	3,902,894	4,004,369	4,108,483	4,215,304	4,324,901	4,437,349	4,548,283
Total Income from Continuing Operations	225,121,000	191,342,138	209,913,794	215,064,027	221,447,840	229,515,516	235,603,842	242,939,592	250,542,433	257,402,872	264,465,633	271,562,270
Expenses from Continuing Operations												
Employee Benefits & On-Costs	58,441,000	61,183,169	64,053,552	66,335,983	68,989,422	71,197,084	73,475,391	75,826,603	78,253,054	80,757,152	83,341,381	86,008,305
Borrowing Costs	23,000	18,000	12,000	12,216	12,672	12,592	12,732	12,891	13,108	13,410	13,900	14,448
Materials & Contracts	72,268,000	75,746,875	81,598,067	93,394,305	98,820,205	98,505,356	103,549,746	107,575,500	110,575,113	113,549,426	117,826,384	121,009,077
Depreciation & Amortisation	25,979,000	26,559,589	27,781,370	28,944,408	30,156,293	31,419,077	32,734,888	34,008,049	35,330,853	36,705,247	38,133,241	39,578,884
Impairment of receivables	39,000	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	4,647,000	5,100,824	4,885,826	5,027,515	5,173,313	5,323,339	5,461,746	5,603,751	5,749,449	5,898,934	6,052,307	6,203,614
Net Losses from the Disposal of Assets	1,211,000	1,500,000	1,627,250	1,732,340	1,841,634	1,955,299	2,073,511	2,196,451	2,324,309	2,457,262	2,595,573	2,739,396
Total Expenses from Continuing Operations	162,608,000	170,108,457	179,958,065	195,446,767	204,993,539	208,412,717	217,308,024	225,223,246	232,245,887	239,381,450	247,962,785	255,553,725
Net Operating Result for the Year	62,513,000	21,233,681	29,955,729	19,617,261	16,454,301	21,102,799	18,295,818	17,716,346	18,296,546	18,021,421	16,502,848	16,008,546
Net Operating Result before Grants and Contributions provided for Capital Purposes	20,568,000	3,944,720	16,800,227	9,317,261	6,003,501	10,496,826	7,546,690	6,820,340	7,249,844	6,820,105	5,142,897	4,492,096

Average Net Result (2026/27 to 2035/36) 8,068,979

RESULTS

Commentary on Results – Income Statement

The Income Statement (non-cash) result included in this version of the Plan has also improved compared to the prior year. The average forecast Income Statement surplus is now \$8.1 million, which is \$4.1 million greater than the surplus of \$4.0 million forecast in the previous Plan. The result is also \$1.5 million above the average surplus of \$6.6 million forecast in the Plan that supported the approval of the Special Rate Variation (SRV).

Version of Plan	Average Income Statement Result
2026/27 – 2035/36 (this Plan)	\$8,068,979
2025/26 – 2034/35	\$3,997,723
2024/25 – 2033/34	\$4,059,837
2023/24 – 2032/33 (Plan used to support SRV)	\$6,584,543

Whilst this result also demonstrates improvement, it includes non-cash balances that do not represent available financial capacity. The result contains both cash and non-cash balances relating to externally restricted funds that are not available to support Council’s general operations, or the ongoing delivery of services.

For example, the increased surplus includes forecast investment income earned on restricted development contribution and grant funds. Although investment returns are expected to improve under Council’s revised investment strategy, any additional income generated on these externally restricted funds must also remain externally restricted in accordance with applicable legislative requirements and cannot be allocated to other purposes.

The result also includes additional income from Domestic Waste, which is forecast to increase to repay an internal loan of \$16.38 million established for the remediation of Foxglove Oval. On average, domestic waste contributes a net \$1.2 million to the Income Statement surplus each year, over the life of the Plan. This funding also cannot be used for general operations and must be ring fenced for domestic waste purposes.



Bures walk, Brooklyn

ATTACHMENT 1 - ITEM 1

RESULTS

Balance Sheet

Hornsby Shire Council 10 Year Financial Plan BALANCE SHEET - GENERAL FUND	Actuals 2024/25	Current Year 2025/26	Projected Years									
	\$	\$	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Current Assets												
Cash & Cash Equivalents	64,970,000	10,183,054	10,188,169	7,205,895	9,533,666	10,680,269	11,305,620	11,916,149	12,562,424	13,277,655	13,968,934	14,661,804
Investments	87,714,000	118,649,747	118,709,341	116,844,989	116,844,989	124,443,135	131,729,528	138,843,224	146,373,409	154,707,066	162,761,627	170,834,734
Receivables	22,117,000	15,207,701	16,084,088	15,979,022	16,388,372	16,998,806	17,549,907	18,107,206	18,686,892	19,276,339	19,868,526	20,458,882
Inventories	198,000	196,075	210,914	241,430	255,463	254,641	267,687	278,097	285,852	293,542	304,801	312,830
Contract assets and contract cost assets	64,000	64,000	64,000	66,381	68,822	71,323	73,887	76,515	79,209	81,970	84,801	87,702
Other	1,535,000	1,084,091	1,159,214	1,319,228	1,393,910	1,391,701	1,461,170	1,517,034	1,559,193	1,601,084	1,650,447	1,705,136
Total Current Assets	176,598,000	145,384,668	146,415,726	141,656,945	144,485,222	153,840,874	162,387,799	170,738,225	179,546,980	189,237,636	198,648,936	208,060,887
Non-Current Assets												
Investments	131,477,000	162,111,609	162,193,032	159,645,761	159,645,761	170,027,137	179,982,564	189,702,034	199,990,556	211,376,864	222,381,840	233,412,158
Receivables	1,207,000	1,318,098	1,440,692	1,493,384	1,538,645	1,587,130	1,630,068	1,674,311	1,719,934	1,763,951	1,809,176	1,854,146
Infrastructure, Property, Plant & Equipment	2,336,720,000	2,434,921,465	2,544,700,656	2,656,422,550	2,757,405,033	2,843,904,495	2,932,766,472	3,024,651,541	3,119,333,511	3,215,169,591	3,313,901,814	3,435,478,568
Investment Property	41,100,000	41,350,000	41,700,000	42,060,150	42,430,744	42,812,086	43,203,342	43,604,772	44,016,638	44,439,213	44,872,774	45,317,175
Intangible Assets	849,000	713,988	588,680	596,848	634,020	670,077	704,261	736,953	768,022	797,330	824,730	850,041
Right of use assets	275,000	190,000	100,000	10,000	331,575	241,575	151,575	61,575	144,886	354,886	264,886	174,886
Total Non-Current Assets	2,511,628,000	2,640,605,181	2,750,693,060	2,860,228,694	2,961,985,778	3,059,242,500	3,158,438,272	3,260,431,185	3,365,973,547	3,473,901,834	3,584,055,221	3,717,067,265
TOTAL ASSETS	2,688,226,000	2,785,989,829	2,897,108,786	3,001,885,639	3,106,471,000	3,213,083,374	3,320,826,071	3,431,169,411	3,545,520,527	3,663,139,471	3,782,704,157	3,925,148,151
Current Liabilities												
Payables	15,375,000	15,709,539	16,693,985	18,475,343	19,411,012	19,556,246	20,415,494	21,144,202	21,741,565	22,336,081	23,111,221	23,744,449
Contract liabilities	2,849,000	2,281,520	2,391,828	2,407,460	2,474,843	2,544,159	2,608,107	2,673,718	2,741,034	2,810,101	2,880,864	2,950,872
Lease liabilities	80,000	56,832	59,372	60,111	61,981	62,745	63,116	63,989	64,420	65,995	67,211	68,003
Employee benefit provisions	15,603,000	15,457,402	15,780,457	16,140,269	16,537,977	16,977,277	17,459,540	17,986,188	18,558,678	19,176,529	19,847,302	20,566,812
Other provisions	42,397,000	14,541,907	21,900,475	25,656,982	15,449,291	15,442,128	15,435,449	15,429,447	15,423,929	15,419,089	15,414,491	15,409,893
Total Current Liabilities	76,304,000	48,047,200	56,826,117	62,740,186	53,935,104	54,582,556	55,981,706	57,297,562	58,529,627	59,809,795	61,321,189	62,739,830
Non-Current Liabilities												
Contract liabilities	421,000	234,632	244,880	239,020	245,359	251,882	257,899	264,073	270,408	276,907	283,575	290,153
Lease liabilities	195,000	163,811	104,439	44,328	328,922	266,177	203,061	139,062	247,953	435,518	368,307	300,304
Employee benefit provisions	1,210,000	1,674,130	1,709,119	1,748,069	1,791,161	1,880,974	1,948,013	2,010,017	2,076,151	2,149,583	2,227,489	2,297,489
Other provisions	17,836,000	45,691,093	38,231,525	34,383,018	44,509,709	44,442,872	44,380,551	44,324,553	44,273,071	44,227,911	44,185,009	44,142,107
Total Non-Current Liabilities	19,662,000	47,763,666	40,289,973	36,414,454	46,875,153	46,799,673	46,732,485	46,675,701	46,801,448	47,017,486	46,986,474	46,960,053
TOTAL LIABILITIES	95,966,000	95,810,866	97,116,090	99,154,640	100,810,257	101,382,228	102,714,192	103,973,263	105,331,075	106,827,281	108,307,663	109,699,882
Net Assets	2,592,260,000	2,690,178,962	2,799,992,696	2,902,730,999	3,005,660,743	3,111,701,146	3,218,111,879	3,327,196,158	3,440,189,452	3,556,312,189	3,674,396,494	3,815,448,269
EQUITY												
Retained Earnings	1,387,318,000	1,408,551,681	1,438,507,410	1,458,196,671	1,474,650,971	1,495,753,771	1,514,049,589	1,531,765,935	1,550,062,481	1,568,083,902	1,584,586,750	1,600,595,295
Revaluation Reserves	1,204,870,000	1,281,556,281	1,361,413,286	1,444,534,329	1,531,009,772	1,615,947,376	1,704,062,290	1,795,430,223	1,890,126,971	1,988,228,287	2,089,809,744	2,214,852,974
Other Reserves	72,000	72,000	72,000	-	-	-	-	-	-	-	-	-
Total Equity	2,592,260,000	2,690,178,962	2,799,992,696	2,902,730,999	3,005,660,743	3,111,701,146	3,218,111,879	3,327,196,158	3,440,189,452	3,556,312,189	3,674,396,494	3,815,448,269

RESULTS

Cash Flow Statement

Hornsby Shire Council		Actuals		Current Year		Projected Years									
10 Year Financial Plan		2024/25		2025/26		2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
CASH FLOW STATEMENT - GENERAL FUND		\$		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities															
Rates & Annual Charges		125,574,000		134,833,884		144,625,907	153,476,414	159,586,994	166,454,853	172,216,310	178,173,289	184,359,118	189,781,388	196,348,888	200,962,900
User Charges & Fees		16,934,000		14,987,927		15,956,307	16,376,316	16,851,229	17,339,915	17,784,487	18,246,883	18,721,302	19,208,056	19,707,466	20,197,771
Investment & Interest Revenue Received		12,405,000		10,897,393		14,509,251	12,790,648	11,745,432	11,464,125	10,641,238	10,799,946	10,950,181	11,099,061	11,281,427	11,463,401
Grants & Contributions		26,435,000		32,640,359		26,081,633	23,745,440	24,133,556	24,685,529	25,197,577	25,720,114	26,256,237	26,806,299	27,370,663	27,928,503
Other		21,165,000		3,834,253		7,589,342	8,425,163	8,411,235	8,642,401	8,880,069	9,099,511	9,324,659	9,555,660	9,792,667	10,035,760
Employee Benefits & On-Costs		(57,473,000)		(61,051,295)		(63,578,803)	(65,855,417)	(68,451,773)	(70,630,082)	(72,858,209)	(75,157,589)	(77,530,500)	(79,979,294)	(82,506,396)	(85,114,311)
Materials & Contracts		(86,218,000)		(74,510,818)		(81,058,456)	(92,243,839)	(98,283,047)	(98,520,840)	(103,050,074)	(107,173,607)	(110,271,712)	(113,248,087)	(117,399,165)	(120,687,483)
Borrowing Costs		(23,000)		(18,000)		(12,000)	(12,216)	(12,672)	(12,562)	(12,732)	(12,891)	(13,108)	(13,410)	(13,900)	(14,448)
Other		(5,324,000)		(5,420,175)		(4,895,720)	(4,811,264)	(5,075,933)	(5,352,944)	(5,369,095)	(5,524,517)	(5,685,741)	(5,827,018)	(5,947,859)	(6,121,180)
Net Cash provided (or used in) Operating Activities		53,508,000		56,193,529		59,287,461	51,891,244	48,905,020	54,070,396	53,429,571	54,171,140	56,110,438	57,382,656	57,633,791	58,650,912
Cash Flows from Investing Activities															
Sale of Investment Securities		116,568,000		-		-	4,411,622	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment		1,057,000		2,000,000		2,000,000	2,029,000	2,058,841	2,089,547	2,117,876	2,146,940	2,176,761	2,207,357	2,238,748	2,269,717
Purchase of Investment Securities		(117,128,000)		(61,570,357)		(141,016)	-	-	(17,979,520)	(17,241,820)	(16,833,166)	(17,818,708)	(19,719,965)	(19,059,537)	(19,103,425)
Purchase of Investment Property		(259,000)		-		-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment		(48,679,000)		(51,355,761)		(61,084,498)	(61,054,766)	(48,305,179)	(36,760,071)	(37,400,256)	(38,588,346)	(39,529,496)	(38,809,290)	(39,814,961)	(40,810,335)
Purchase of Intangible Assets		(98,000)		-		-	(200,000)	(205,800)	(211,768)	(217,274)	(222,923)	(228,719)	(234,666)	(240,767)	(246,787)
Net Cash provided (or used in) Investing Activities		(48,539,000)		(110,926,117)		(59,225,514)	(54,814,146)	(46,452,138)	(62,861,812)	(52,741,475)	(53,497,495)	(55,400,162)	(56,556,564)	(56,876,518)	(57,890,831)
Cash Flows from Financing Activities															
Repayment of lease liabilities (principal repayments)		(79,000)		(54,357)		(56,832)	(59,372)	(125,111)	(61,981)	(62,745)	(63,116)	(63,999)	(110,860)	(65,995)	(67,211)
Net Cash Flow provided (used in) Financing Activities		(79,000)		(54,357)		(56,832)	(59,372)	(125,111)	(61,981)	(62,745)	(63,116)	(63,999)	(110,860)	(65,995)	(67,211)
Net Increase/(Decrease) in Cash & Cash Equivalents		4,890,000		(54,786,946)		5,115	(2,982,274)	2,327,771	1,146,603	625,351	610,529	646,274	715,232	691,279	692,870
plus: Cash & Cash Equivalents - beginning of year		60,080,000		64,970,000		10,183,054	10,188,169	7,205,895	9,533,866	10,680,269	11,305,620	11,916,149	12,562,424	13,277,655	13,968,934
Cash & Cash Equivalents - end of the year		64,970,000		10,183,054		10,188,169	7,205,895	9,533,866	10,680,269	11,305,620	11,916,149	12,562,424	13,277,655	13,968,934	14,661,804
Cash & Cash Equivalents - end of the year		64,970,000		10,183,054		10,188,169	7,205,895	9,533,866	10,680,269	11,305,620	11,916,149	12,562,424	13,277,655	13,968,934	14,661,804
Investments - end of the year		219,191,000		280,761,357		280,902,373	276,490,751	276,490,751	294,470,271	311,712,091	328,545,258	346,545,965	366,083,930	385,143,467	404,246,892
Cash, Cash Equivalents & Investments - end of the year		284,161,000		290,944,411		291,090,542	283,696,646	286,024,417	305,150,540	323,017,711	340,461,407	358,926,389	379,361,586	399,112,401	418,908,697
Representing:															
- External Restrictions		161,239,000		166,029,782		158,183,206	148,091,458	152,489,908	159,704,214	165,685,177	170,965,808	177,398,657	182,990,434	187,627,686	192,464,899
- Internal Restrictions		99,827,000		91,670,575		92,472,897	89,024,482	83,296,265	89,553,139	95,819,998	102,596,756	109,883,310	117,679,545	125,985,333	134,802,121
- Unrestricted		23,095,000		33,244,054		40,434,638	46,580,706	50,239,244	55,893,187	61,512,536	66,898,843	71,644,422	78,691,607	85,499,382	91,641,677
		284,161,000		290,944,411		291,090,542	283,696,646	286,024,417	305,150,540	323,017,711	340,461,407	358,926,389	379,361,586	399,112,401	418,908,697

RESULTS

Commentary on Results – Balance Sheet & Cash Flow Statement

The Balance Sheet and Cash Flow Statement results over the 10-year period maintain equity, liabilities, non-current assets and cash inflows and outflows within acceptable levels, noting current asset balances significantly greater than current liabilities into the future.

Sufficient unrestricted cash is forecast each year. Unrestricted cash is essential for Council to operate on a 'business as usual' basis as it represents Council's working funds from month to month, noting the timing of income receipts and expenditure payments is not linear throughout the year. The Plan forecasts an increase in unrestricted cash each year as a result of the average forecast budget (cash) surplus of \$3.6 million. In this regard it is noted that, if achieved at 30 June, Council has indicated support to restrict surpluses for Westleigh Park up to 30 June 2030, if achieved, to provide recreational opportunities on the site.



Mark Taylor Oval pavilion

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ATTACHMENT 1 - ITEM 1

FINANCIAL RISKS

There are several significant risks, many based on past experience, that may place pressure on Council's Annual Budget over the term of the Plan. Each of these risks justifies the need to achieve a forecast budget (cash) surplus of at least \$3.0 million per year, as targeted in successive versions of this Plan.

- **Economic Uncertainty** – At the time of preparing this Plan the external economic environment is uncertain, with rapidly changing forecasts in response to the war in the Middle East. The forecasting assumptions used are based on the latest available from credible external sources (BIS Oxford Economics and the RBA) but are subject to change.
- **Major Projects** – Whilst most major capital projects are funded from external sources such as grants and development contributions, there is an unavoidable level of financial risk from capital budgets of this size given the nature of complex infrastructure projects and large construction costs relative to the size of Council's overall budget. Should costs escalate above the level of external funds available, Council general funds would be required to complete works, which could place significant pressure on the Annual Budget in any given year. Past examples of capital cost escalations include sizeable additional allocations provided to the Wisemans Ferry Boat Ramp project and Galston Aquatic Centre Remediation projects. This Plan recommends that a staged approach is followed for Major Projects to help protect Council from this risk (page 33).
- **Additional Capital Grant funding** – Council received significant funding from capital grants for major projects over recent years, with \$90 million provided by the NSW State Government as partial compensation of the financial loss suffered following the 2016 boundary adjustment. Numerous other large grants were also received from government agencies to provide economic stimulus during recovery from the COVID-19 pandemic.
- **Whilst large grants provide an opportunity for Council to increase service provision through new assets, ongoing operating, maintenance and renewal costs are significant.** The recurrent costs



Cooling off at one of our Aquatic and Leisure Centres

FINANCIAL RISKS

required to maintain and operate Hornsby Park contributed to deficits forecast in previous versions of this Plan that led to the Special Rate Variation.

- With an average forecast cash surplus of \$3.6 million per year Council has insufficient financial capacity to maintain a further project of this magnitude over the next ten years. This Plan therefore includes a recommendation for future capital grants to be carefully considered, including the identification of funding for recurrent costs prior to acceptance.

- Investment returns over the life of the Plan are based on a forecast of the base rate set by the Reserve Bank of Australia, which is notoriously challenging to predict. If the base rate is set at a lower level, less investment income will be generated, which will reduce financial capacity. Whilst Council has a strategy in place to lock-in current high rates by investing in fixed rate 2 to 5 year products, the latter 5 years of the Plan are uncertain. A sensitivity analysis has therefore been undertaken to assess whether the surpluses forecast in this Plan are sufficient should investment returns reduce (page 32).

- Natural Disasters – The Hornsby Shire Local Government Area was impacted by multiple severe weather events that were declared Natural Disasters by the NSW Government between 2018 and 2022. These events incurred extensive clean-up costs that could not be recouped from the NSW Government. Furthermore, flooding caused significant damage at Wisemans Ferry that added \$3.57 million to the cost of Council's project to construct a new boat ramp and associated infrastructure.

- Reactive asset remediation – Council controls more than \$2 billion of infrastructure assets and a portfolio of this size creates an inherent risk of unplanned maintenance or unexpected asset failure. An example is the discovery of asbestos in Council's Administration Centre, which created financial challenges over multiple years. The unexpected refit of the Administration Centre required a total capital budget of \$10.8 million, with this funding identified from savings and opportunities over a number of years including funds temporarily drawn from internal reserves.

- Hornsby Town Centre – A Masterplan was adopted by Council in November 2023 and included provision for 4,900 new homes (later increased to 6,000 by the NSW State Government) and identified the infrastructure improvements required to cater for the increase in population. The construction of the first new dwellings is expected to occur towards the end of the forecast period of the Plan due to ongoing challenges in the construction industry, notably rising costs and high interest rates that limit the current financial feasibility of large-scale developments. Whilst income from development contributions will go some way to provide the new infrastructure required, there is a risk that some projects may require additional funding, such as if the new infrastructure is wholly attributable to new development. It is therefore recommended that Council's Development Contribution Plans prioritise projects that maximise development contribution funding on hand instead of Councils general fund (page 33).

- Council manages several historic landfill sites, including Foxglove Oval, which present remediation risks. Following the detection of methane gas at Foxglove Oval after severe weather events, Council progressed plans for significant remediation works. The current estimated remediation cost is \$16.38 million, funded through an internal loan to Domestic Waste from Council's Capital Projects and Restricted Working Funds internally restricted asset account. These costs are expected to be recovered through future increases in Domestic Waste Annual Charges, commencing with a 10% increase in both the 2025/26 and 2026/27 financial years.

- Westleigh Park Grant Funding – In 2024 Council received notification from the Office of Local Government that remaining grant funding in the order of \$36 million (excluding interest earned to date) would be required to be returned. The matter is currently ongoing with Council pursuing opportunities available to retain the funding. The notification jeopardises the future of the project, unless alternative funding can be identified.

- Legal matter – Council is currently responding to a legal matter that could require cash reserves to be called upon. Whilst the matter is

confidential in nature its emergence places greater emphasis on the need for ongoing prudent financial management, including ensuring that Council's cash reserves are maintained at existing levels, as recommended within this Plan (page 33).

- Cherrybrook Library - A new, 3,000 square metre library and community space is planned as part of the Cherrybrook Precinct Rezoning Proposal led by the NSW State Government, which aims to deliver over 9,000 new homes near the Cherrybrook Metro Station. A cold shell of the facility will be provided to Council, with fit-out costs to be funded from development contributions related to the rezoning. However, recurrent operating costs will require funding from general revenue. Whilst Council will receive some additional supplementary rate income from the development there is a risk that this may be insufficient and a future version of this Plan will need to estimate the financial impact, once timing is known.

OPPORTUNITIES

- User Charges and Fees – Previously applied increases for User Charges and Fees between 2022 and 2024 are 8.7% less than CPI-based cost increases incurred on a cumulative basis over this period, due to inflation exceeding economic forecasts during the post covid-19 pandemic high inflation environment. This Plan therefore continues to include an action (page 36) to catch up on this missed cost growth, noting that this has recently commenced with CPI plus 2% being applied to fees for Parks and Community Services in 2026/27.
- Advertising Space – Income from Council's advertising space, such as at bus stops and shelters is under contracts that have not been priced by the market in some time and have contract expiry dates approaching in future years. It is likely that income generated in the current market would exceed the current level, noting the success of the advertising signage on the George Street pedestrian bridge as an example, which makes a positive net contribution to Council's Annual Budget each year. This Plan therefore includes an action for advertising space to be retendered once existing contracts expire (page 36), noting that a project to progress this matter is well advanced.



Mark Taylor Oval, Waitara

SENSITIVITY ANALYSIS – EMPLOYEE COSTS

As a method of cost containment, a two-week productivity measure has been applied to budgets provided for salaries and wages, which are based on a 50 week instead of 52 week year on the assumption that there will be vacancies from time to time across the organisation. The result is a funding gap of 4% between available budgets and the level of expenditure required to employ staff to each of Council's approved positions for a full year.

The Plan has also been prepared on the assumption that Council's general fund headcount will remain static, with the creation of no new general fund positions forecast over the next 10 years. It is acknowledged that these cost containment measures can be perceived as prudent. Therefore, analysis has been prepared to assess the impact a marginal increase in salaries and wages expenditure would have to the forecast budget (cash) result, such as by increasing the number of weeks salaries and wages are budgeted from 50 to 51:

Budget (Cash Liquidity Result)

	2027	2028	2029	2030*	2031	2032	2033	2034	2035	2036
Base LTFP	\$5,368,235	\$2,649,646	\$1,372,363	\$4,163,722	\$3,397,552	\$3,239,694	\$2,691,225	\$4,999,598	\$4,511,963	\$3,925,853
Sensitivity	\$4,184,126	\$1,418,173	\$91,630	\$2,842,006	\$2,033,541	\$1,832,035	\$1,238,521	\$3,500,407	\$2,964,798	\$2,329,179

In this scenario the average budget (cash) result would reduce from \$3.6 million to \$2.2 million, which is below the target of \$3.0 million. This demonstrates Council's sensitivity to cost increases from new positions or salary growth above the forecast wages price increase included in the Plan, and further supports the recommendation proposed (page 36) for no new general fund positions to be created unless they are offset by an equivalent position elsewhere, or unless funding is identified such as from external grants, existing capital works budgets or additional income, with a business case required for the creation of new positions. In this scenario the level of funding to be set aside for recreational opportunities at Westleigh Park (comprising surpluses up to and including 2030) would also not be achieved.

SENSITIVITY ANALYSIS — INVESTMENT INCOME

As noted, (page 30), there is a risk that future changes to the interest base rate could reduce financial capacity. An analysis has therefore been completed to quantify the change in the forecast budget (cash) result, should the base rate decrease by 1% below the level forecast from 2028.

Results – Investment Returns 1% Less from 2028

	2027	2028	2029	2030*	2031	2032	2033	2034	2035	2036
Base LTTP	\$5,368,235	\$2,649,646	\$1,372,363	\$4,163,722	\$3,397,552	\$3,239,694	\$2,691,225	\$4,999,598	\$4,511,963	\$3,925,853
Sensitivity	\$5,368,235	\$720,075	(\$557,209)	\$2,234,150	\$1,467,980	\$1,310,123	\$761,654	\$3,070,027	\$2,582,392	\$1,996,281

The results show that in this scenario the average budget (cash) surplus reduces from \$3.6 million to \$1.9 million, indicating a sizeable reduction in operating capacity. At this level, forecast financial capacity is below the target level of \$3.0 million per year and would be insufficient to mitigate Council from the risk of budget shocks that can occur. In this scenario the level of funding to be set aside for recreational opportunities at Westleigh Park (comprising surpluses up to and including 2030) would also not be achieved.

The analysis places emphasis on the need to continue with the recommendations included in this Plan that aim to increase financial capacity further (page 33).

RECOMMENDATIONS

If the following actions are followed, Council should be well placed to maintain financially sustainable into the future:

- No discretionary, recurrent cost increases to be incurred unless a funding source is identified.
- No new general fund positions to be created unless offset by an equivalent position elsewhere, or unless funding is identified such as from external grants, existing capital works budgets or additional income, with a business case required for the creation of new positions.
- Cash reserves to be maintained at existing levels with any funding transferred to respond to immediate financial challenges or unforeseen events to be repaid, to preserve Council's cash liquidity position over the term of this Plan and beyond.
- The upcoming revision to the Development Contributions Plan to prioritise projects that maximise development contribution funding on hand instead of Council's general fund.
- No loan borrowing to be undertaken, noting Council is currently debt free.
- Surpluses to 30 June 2030 to be set aside, if achieved to provide recreational opportunities at Westleigh Park.
- Major capital projects to be staged to reduce risk in the order of Hornsby Park Old Mans Valley South (currently ongoing), Hornsby Park Old Mans Valley North (upon completion of the South), Westleigh Park (upon completion of the previous two projects, and subject to funding). The redevelopment of Wallarobba Arts & Cultural Centre will also commence from 2026/27.

- Continuation of financial improvement initiatives (the development of business improvement plans and service reviews), having caution to potential cost increases that can arise where improvements are reliant on the implementation of new technology.
- Continue to maximise returns from Council's property holdings by continually reviewing returns to market rates.
- Continue to progress areas for improvement identified in Council's Asset Management Plans to ensure assets used by the community are maintained and renewed to the level of service required, to further protect Council from the risk of budget shocks from reactive asset maintenance.
- Future capital grants to be carefully considered, including identification of funding for ongoing maintenance and operation prior to acceptance. It is recommended that Council decline major grants for discretionary infrastructure projects, unless recurrent funding is also identified.



Erlestoke Park Bushlands Walk, Cherrybrook

Hornsby Shire Council

ABN 20 706 996 972

Contact us

PO Box 37

Hornsby NSW 1630

Phone: (02) 9847 6666

Fax: (02) 9847 6999

Email: hsc@hornsby.nsw.gov.au

hornsby.nsw.gov.au

Visit us

Hornsby Shire Council Administration Centre at Hornsby Library
28-44 George St, Hornsby NSW 2077

Office hours

Please check the website for the latest opening hours for the
Customer Service Centre and Duty Officer.

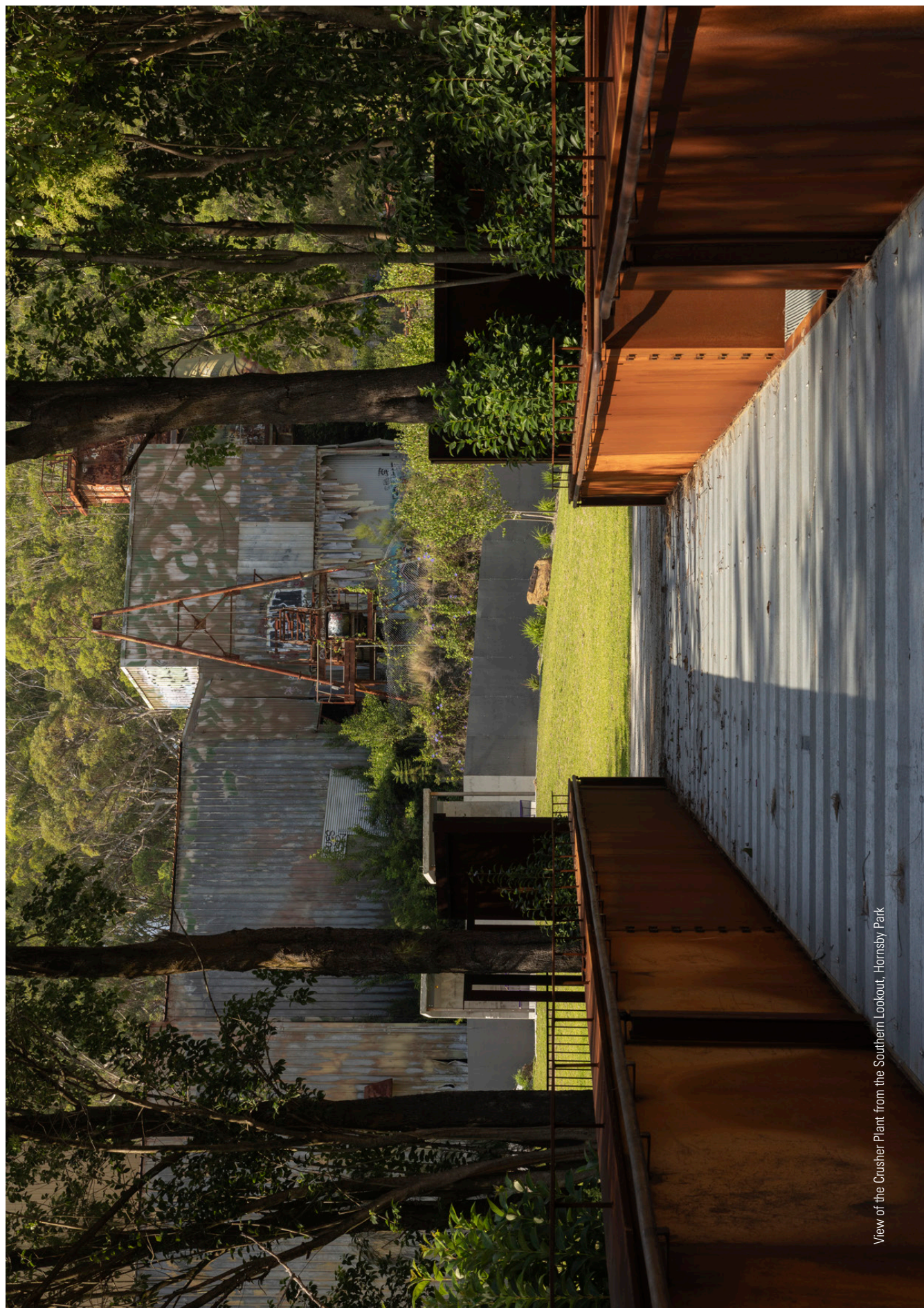
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View of the Crusher Plant from the Southern Lookout, Hornsby Park

ATTACHMENT 1 - ITEM 1

ATTACHMENT/S

REPORT NO. CS38/26

ITEM 3

- 1. HSC INVESTMENTS SUMMARY REPORT JUNE 2026
(PRE-AUDIT)**
- 2. HSC BORROWINGS SUMMARY REPORT JUNE 2026
(PRE-AUDIT)**



Investment Summary Report
June 2026

ATTACHMENT 1 - ITEM 3

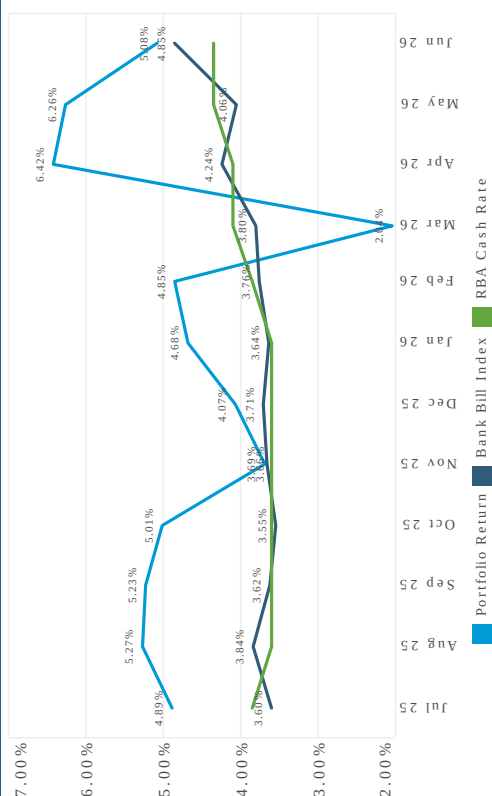
Hornsby Shire Council Executive Summary - June 2026



Investment Holdings

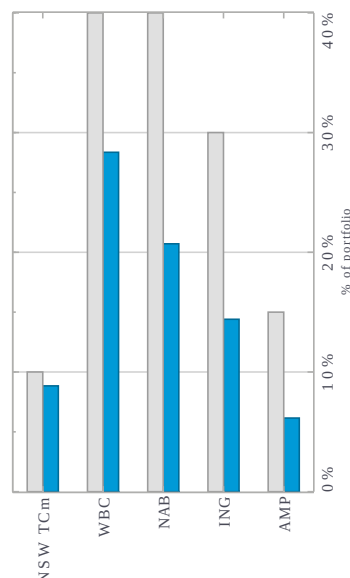
	Face Value (\$)	Current Value (\$)	Current Yield (%)	FYTD Yield (%)
Cash	63,137,794	63,137,794	4.5709	4.0459
Floating Rate Note	21,450,000	21,634,072	5.1074	4.4883
Managed Funds	27,620,411	27,620,411	9.3233	7.6448
Term Deposit	200,215,250	206,611,233	4.6960	4.6985
	312,423,454	319,003,509	5.0792	4.7812

Investment Performance

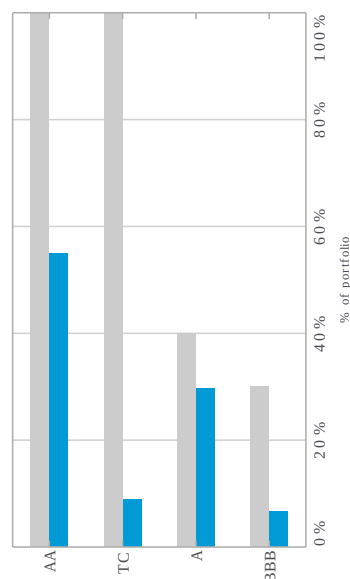


Investment Policy Compliance

Individual Institutional Exposures



Total Credit Exposure



Term to Maturities

	Face Value (\$)	Policy Max %
Between 0 and 0.25 years	127,137,794	41 %
Between 0.25 and 1 years	22,665,250	7 %
Between 1 and 2 years	81,000,000	26 %
Between 2 and 5 years	54,000,000	17 %
Between 5 and 10 years	27,620,411	9 %
	312,423,454	25 %

* Council always retains the flexibility to invest as short as required by internal requirements or the economic outlook



ATTACHMENT 1 - ITEM 3



Hornsby Shire Council Investment Holdings Report - June 2026

Term Deposits							Credit Rating	Institution	Book Value (\$)	Current Value (\$)
Purchase Date	Maturity Date	Term Days	Face Value (\$)	Current Rate (%)						
7-Aug-25	7-Aug-26	365	5,000,000.00	4.1600%			AA-	National Australia Bank	5,000,000.00	5,186,915.07
19-Aug-25	20-Aug-26	366	10,000,000.00	4.1000%			AA-	National Australia Bank	10,000,000.00	10,354,958.90
22-Aug-25	22-Aug-26	365	50,000.00	3.5500%			AA-	Westpac Group	50,000.00	51,522.12
28-Aug-25	28-Aug-26	365	5,000,000.00	4.0700%			AA-	National Australia Bank	5,000,000.00	5,171,163.01
5-Mar-25	9-Sep-26	553	5,000,000.00	4.6600%			A	ING Bank (Australia)	5,000,000.00	5,075,326.03
11-Sep-25	11-Sep-26	365	30,000,000.00	4.2100%			AA-	National Australia Bank	30,000,000.00	31,013,860.27
4-Feb-25	3-Feb-27	729	5,000,000.00	4.6300%			A	ING Bank (Australia)	5,000,000.00	5,093,234.25
11-Feb-26	10-Feb-27	364	5,000,000.00	4.9000%			A	ING Bank (Australia)	5,000,000.00	5,093,972.60
4-Mar-26	3-Mar-27	364	5,000,000.00	5.0700%			A	ING Bank (Australia)	5,000,000.00	5,082,647.95
29-Apr-26	29-Apr-27	365	165,250.00	5.0000%			AA-	Westpac Group	165,250.00	166,676.13
16-Aug-23	16-Aug-27	1461	8,000,000.00	5.1500%			AA-	ANZ Banking Group	8,000,000.00	8,357,819.18
23-Aug-23	23-Aug-27	1461	5,000,000.00	5.2200%			A	ING Bank (Australia)	5,000,000.00	5,221,671.23
30-Aug-23	30-Aug-27	1461	8,000,000.00	5.2800%			AA-	Westpac Group	8,000,000.00	8,354,121.64
3-Sep-25	3-Sep-27	730	10,000,000.00	3.9000%			AA-	National Australia Bank	10,000,000.00	10,321,616.44
16-Dec-25	16-Dec-27	730	10,000,000.00	4.7700%			A	ING Bank (Australia)	10,000,000.00	10,257,449.32
6-Jan-26	6-Jan-28	730	5,000,000.00	4.7900%			A	ING Bank (Australia)	5,000,000.00	5,115,484.93
6-Feb-23	7-Feb-28	1827	10,000,000.00	4.1300%			AA-	Westpac Group	10,000,000.00	10,164,068.49
6-Feb-23	7-Feb-28	1827	5,000,000.00	4.1200%			AA-	Westpac Group	5,000,000.00	5,081,835.62
6-Feb-23	7-Feb-28	1827	10,000,000.00	4.0900%			AA-	Westpac Group	10,000,000.00	10,162,479.45
1-Apr-26	3-Apr-28	733	5,000,000.00	5.5100%			A	ING Bank (Australia)	5,000,000.00	5,068,686.30
28-Jul-23	28-Jul-28	1827	8,000,000.00	5.3200%			A-	Bank of Queensland	8,000,000.00	8,394,117.26
9-Aug-23	9-Aug-28	1827	8,000,000.00	5.2200%			A-	Bank of Queensland	8,000,000.00	8,370,691.51
4-Sep-23	4-Sep-28	1827	15,000,000.00	5.2800%			AA-	Westpac Group	15,000,000.00	15,650,958.90
4-Sep-23	4-Sep-28	1827	15,000,000.00	5.2800%			AA-	Westpac Group	15,000,000.00	15,650,958.90
19-Feb-25	18-Feb-30	1825	8,000,000.00	5.1500%			A	Rabobank Australia	8,000,000.00	8,148,997.26
200,215,250.00									200,215,250.00	206,611,232.76



ATTACHMENT 1 - ITEM 3

Hornsby Shire Council Investment Holdings Report - June 2026



Floating Rate Notes								
Purchase Date	Maturity Date	Term Days	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Book Value (\$)	Current Value (\$)
24-Aug-21	24-Aug-26	1826	4,700,000.00	4.8514%	NAB Snr FRN (Aug26) BBSW+0.41%	AA-	4,688,031.00	4,723,602.03
15-Sep-21	15-Sep-26	1826	4,250,000.00	4.9466%	SUN Snr FRN (Sep26) BBSW+0.48%	AA-	4,249,405.00	4,260,115.56
23-Sep-21	23-Dec-26	1917	6,000,000.00	4.8789%	CBA Green Snr FRN (Dec26) BBSW+0.41%	AA-	5,964,948.60	6,007,856.09
10-Feb-22	10-Feb-27	1826	1,500,000.00	5.4318%	NPBS Snr FRN (Feb27) BBSW+1.00%	BBB+	1,516,875.00	1,513,769.46
11-Nov-22	11-Nov-27	1826	5,000,000.00	5.6618%	WBC Snr FRN (Nov27) BBSW+1.23%	AA-	5,057,605.00	5,128,728.99
							21,476,864.60	21,634,072.13

Cash Accounts						
	Face Value (\$)	Current Rate (%)	Institution	Credit Rating		Current Value (\$)
	26,484.67	4.9500%	Westpac Group	AA-		26,484.67
	492,894.57	4.1500%	Bendigo and Adelaide Bank	A-		492,894.57
	1,735,284.46	4.6500%	Macquarie Bank	A+		1,735,284.46
	19,221,503.57	5.0000%	AMP Bank	BBB+		19,221,503.57
	20,343,324.35	4.4000%	Westpac Group	AA-		20,343,324.35
	21,318,302.19	4.3500%	Bank of Queensland	A-		21,318,302.19
	63,137,793.81	4.5709%				63,137,793.81

Managed Funds						
	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Funds Name	Current Value (\$)
	27,620,410.67	9.3233%	NSW T-Corp (MT)	TCm	Medium Term Growth Fund	27,620,410.67
	27,620,410.67	9.3233%				27,620,410.67

Total Investments		Face Value (\$)	Current Value (\$)
		312,423,454.48	319,003,509.37

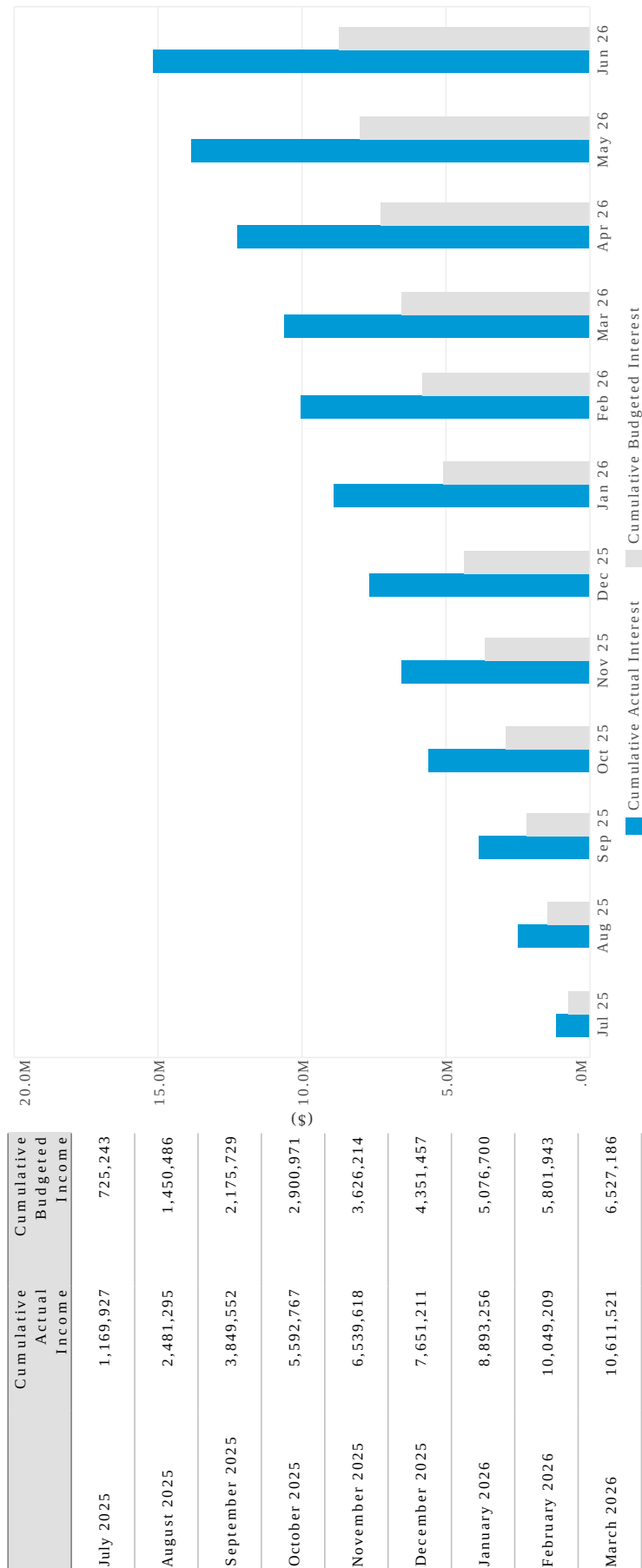


ATTACHMENT 1 - ITEM 3

Hornsby Shire Council Investment Budget Report - June 2026



Budgeted vs Actual Returns



ATTACHMENT 1 - ITEM 3

Hornsby Shire Council Environmental Commitments Report - June 2026



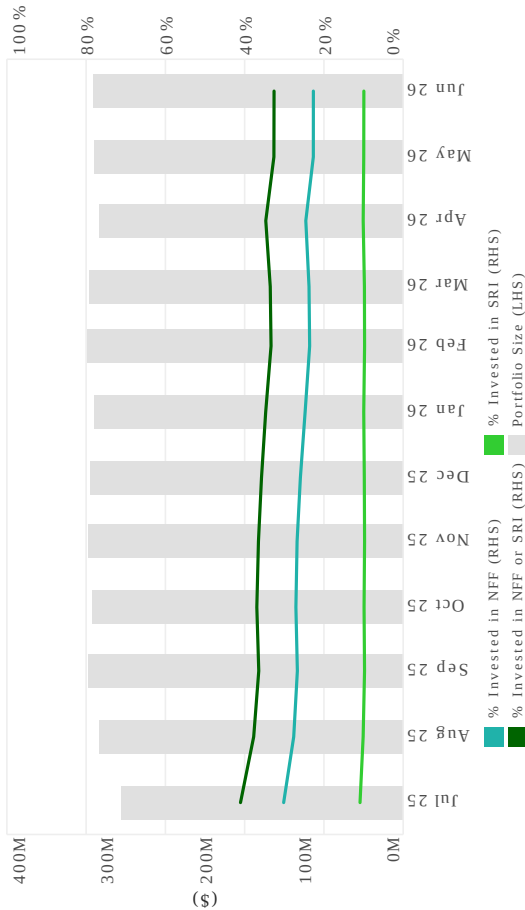
Current Breakdown

ADI Lending Status *	Current Month (\$)	Previous Month (\$)
Fossil Fuel Lending ADIs		
ANZ Group	8,000,000	8,000,000
ING Bank Australia	45,000,000	45,000,000
Macquarie Bank	1,735,284	1,728,239
National Australia Bank	64,700,000	72,700,000
Westpac Group	63,585,059	55,049,963
	183,020,343	182,478,202
	59 %	59 %
Non Fossil Fuel Lending ADIs		
AMP Bank	19,221,504	19,142,834
Bank of Queensland	37,318,302	37,242,354
Bendigo and Adelaide Bank	492,895	491,219
Newcastle Greater Mutual Group	1,500,000	1,500,000
Rabobank Australia	8,000,000	8,000,000
Suncorp Bank	4,250,000	4,250,000
	70,782,700	70,626,407
	23 %	23 %
Other		
NSW T-Corp (MT)	27,620,411	27,418,788
	9 %	9 %
Socially Responsible Investment		
CBA (Green)	6,000,000	6,000,000
Westpac Group (Green TD)	25,000,000	25,000,000
	31,000,000	31,000,000
	10 %	10 %
	312,423,454	311,523,397

* source: Marketforces

Percentages may not add up to 100% due to rounding

Historical Portfolio Exposure to NFF Lending ADIs and SRIs



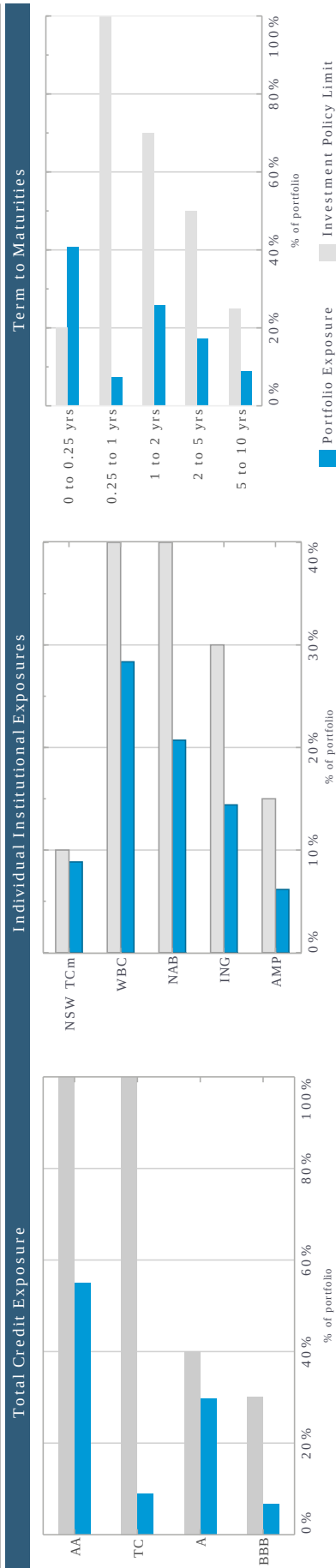
Green Products Summary

	Current Month (\$)	Previous Month (\$)
AMP Bank	19,221,504	19,142,834
Bank of Queensland	37,318,302	37,242,354
Bendigo and Adelaide Bank	492,895	491,219
CBA (Green)	6,000,000	6,000,000
Newcastle Greater Mutual Group	1,500,000	1,500,000
Rabobank Australia	8,000,000	8,000,000
Suncorp Bank	4,250,000	4,250,000
Westpac Group (Green TD)	25,000,000	25,000,000
	101,782,700	101,626,407
	33 %	33 %
	312,423,454	311,523,397



ATTACHMENT 1 - ITEM 3

Hornsby Shire Council Investment Policy Compliance Report - June 2026



Credit Rating Group	Face Value (\$)	Policy Max
AA	171,535,059	55% 100% a
TC	27,620,411	9% 100% a
A	92,546,481	30% 40% a
BBB	20,721,504	7% 30% a
	312,423,454	

Institution	% of portfolio	Investment Policy Limit
NSW T-Corp (TCm)	9%	10% a
Westpac Group (AA-)	28%	40% a
National Australia Bank (AA-)	21%	40% a
ING Bank Australia (A)	14%	30% a
AMP Bank (BBB+)	6%	15% a
Bank of Queensland (A-)	12%	30% a
Rabobank Australia (A)	3%	30% a
ANZ Group (AA-)	3%	40% a
Commonwealth Bank of Australia (AA-)	2%	40% a
Suncorp Bank (AA-)	1%	40% a
Macquarie Bank (A+)	1%	30% a

Specific Sub Limits	Face Value (\$)	Policy Max
BBB+	20,721,504	7% 30% a

a = compliant
r = non-compliant

* Council always retains the flexibility to invest as short as required by internal requirements or the economic outlook



ATTACHMENT 1 - ITEM 3



HORNSBY SHIRE COUNCIL SCHEDULE OF BORROWINGS AS AT 30 June 2026

1. LOANS				\$'000		\$'000	2025/26 YTD Repayments Principal	\$'000		Fixed Interest Rate %
Lender	Date Drawn	Maturity Date	Amount Borrowed	01/07/2025 Opening Balance					Closing Balance	
None										

2. OPERATING LEASES	Lessor	Date Executed	Expiry date	\$'000			\$'000	2025/2026 Repayments YTD	\$'000	Closing Balance
				Total Lease Payments	01/07/2025 Opening Balance					
	Vestone Capital Pty Ltd (118)	15-Aug-22	15-May-26	34	8			8		
	Vestone Capital Pty Ltd (119)	15-Nov-22	15-Aug-27	64	29			13		16
	Vestone Capital Pty Ltd (120)	15-Aug-23	15-Aug-28	31	19			7		12
	Vestone Capital Pty Ltd (121)	15-Nov-23	15-Nov-28	453	292			90		202
	Vestone Capital Pty Ltd (122)	15-Nov-23	15-Nov-27	134	75			33		42
	Vestone Capital Pty Ltd (123)	15-May-24	15-Feb-27	37	21			12		9
	Vestone Capital Pty Ltd (124)	15-Aug-24	15-Aug-27	77	53			23		30
	Vestone Capital Pty Ltd (125)	15-Feb-25	15-Nov-28	69	60			17		43
	Vestone Capital Pty Ltd (126)	15-May-25	15-Feb-29	42			42	13		29
	Vestone Capital Pty Ltd (127)	15-May-25	15-Feb-29	69			69	22		47
	Vestone Capital Pty Ltd (128)	15-Aug-25	15-May-30	105			105	21		84
	Vestone Capital Pty Ltd (129)	15-Feb-26	15-Nov-29	167			167	21		146
	Vestone Capital Pty Ltd (130)	15-May-26	15-Feb-30	34			34	2		32
	TOTAL			1,317	557		417	282		692

ATTACHMENT 2 - ITEM 3

ATTACHMENT/S

REPORT NO. CE11/26

ITEM 5

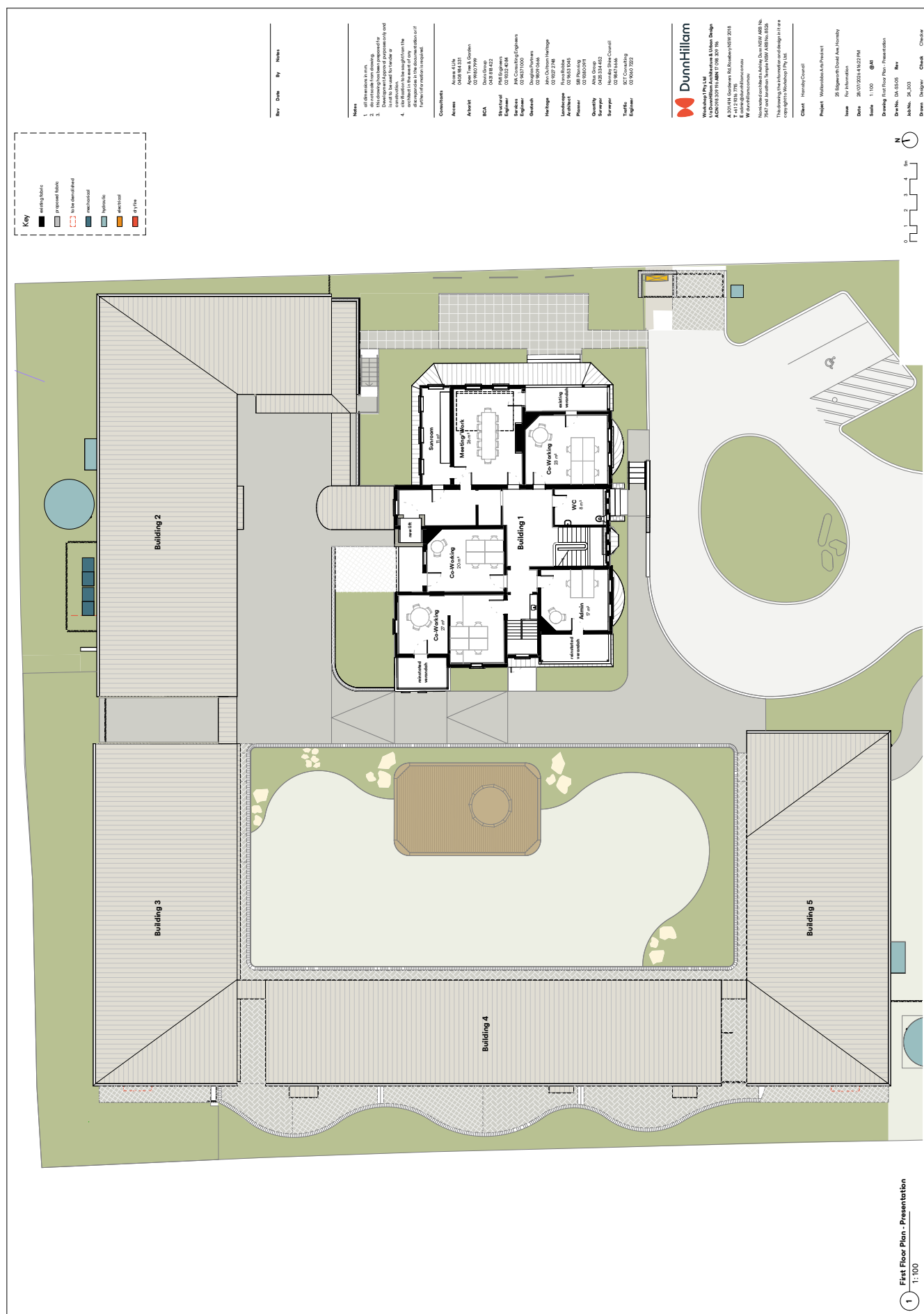
1. WALLAROBBA DESIGNS



ATTACHMENT 1 - ITEM 5

ATTACHMENT 1 - ITEM 5





ATTACHMENT 1 - ITEM 5



ATTACHMENT 1 - ITEM 5



ATTACHMENT 1 - ITEM 5

ATTACHMENT/S

REPORT NO. PC17/26

ITEM 6

- 1. PLANNING PROPOSAL ELS - POST EXHIBITION**
- 2. DRAFT HDCP PART 5 AMENDMENTS**
- 3. DPHI GATEWAY DETERMINATION**

Planning Proposal: Employment Lands Study

Implementation of short term recommendations

July 2026



HORNSBY SHIRE COUNCIL

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Introduction

Background

In May 2021, the *Hornsby Employment Lands Study* (Hornsby ELS) was adopted by Council (**Appendix B**). The Hornsby ELS was undertaken to identify key economic and employment trends within Hornsby Shire and to provide a strategic framework and to facilitate and accommodate future economic and employment growth within the Hornsby Local Government Area (LGA).

The Hornsby ELS encompasses all employment zoned land across the Shire, including industrial precincts, commercial centres, and special use precincts as outlined in Figure 1.

The Hornsby ELS identifies six strategic directions to guide the supply, development and utilisation of employment lands in the Shire, ensuring a well-informed approach to fostering economic growth and employment opportunities. The six strategic directions include:

1. *Improve the utilisation and appeal of employment lands.*
2. *Establish a sustainable long-term supply of employment land.*
3. *Protect zones for uses that align with their intended role and function.*
4. *Attract a greater diversity of employment and learning opportunities.*
5. *Deliver infrastructure that supports current needs and future growth.*
6. *Establish a framework for sustainable and continued economic growth.*

The Hornsby ELS was undertaken within the context of the *Greater Sydney Region Plan* (Region Plan), *North District Plan* (District Plan), and *Hornsby Local Strategic Planning Statement* (LSPS), and reflects the broader strategic planning framework for the districts' growth and development.

An Implementation Action Plan was adopted alongside the finalised Hornsby ELS identifying timeframes for implementing planning control recommendations from the Hornsby ELS. A copy of the adopted Implementation Action Plan is included in **Appendix C**.

NSW Government's Employment Zone Reforms

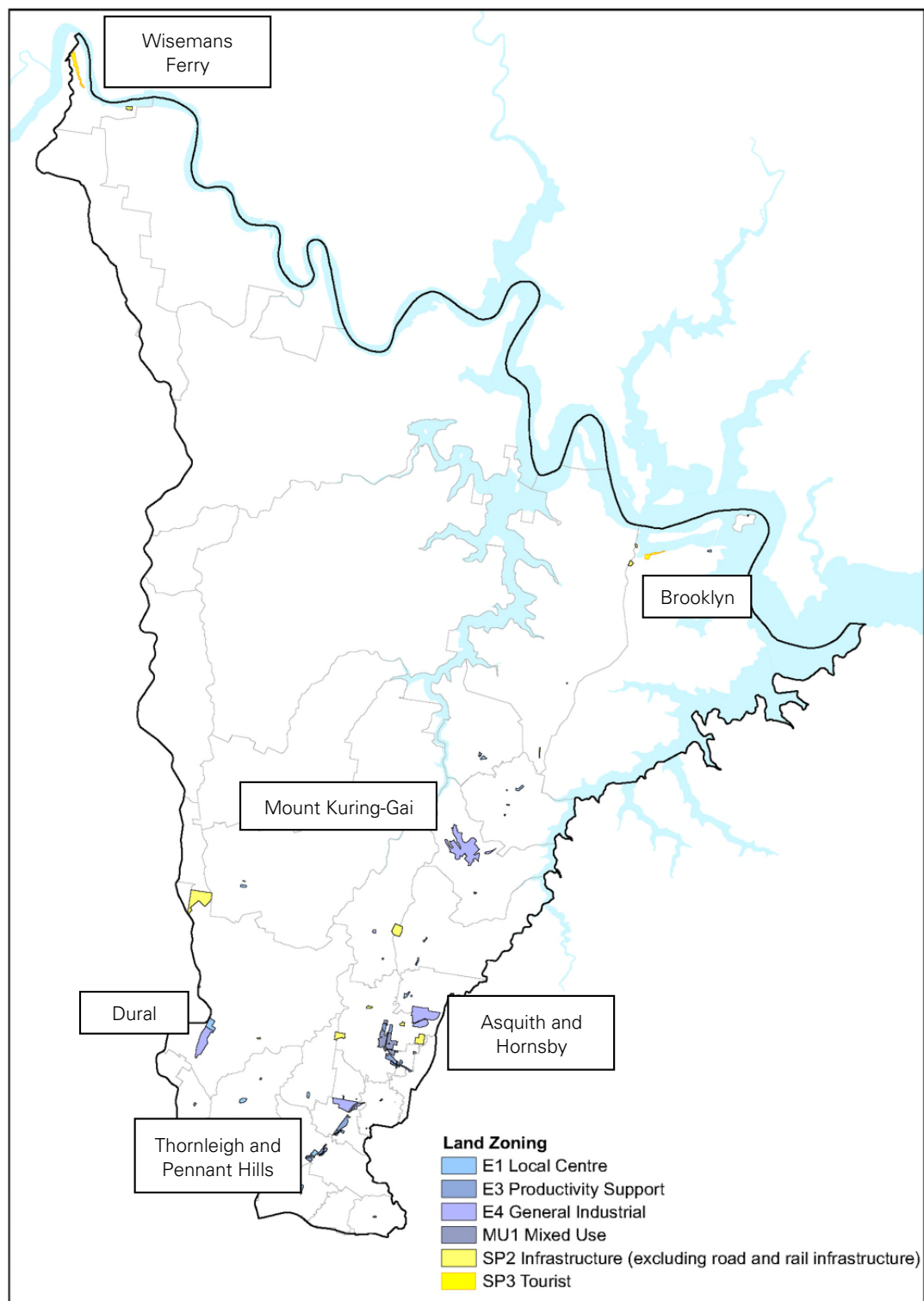
On 26 April 2023, the NSW Government finalised the Employment Zones Reforms. The reforms were aimed at simplifying the planning framework to provide greater flexibility and unlock economic growth and productivity in employment zoned areas. The reforms replaced the existing business and industrial zones with five new employment zones and three supporting zones. **Appendix D** outlines the equivalent zones for the Hornsby Local Environmental Plan (Hornsby LEP) which have been used to in preparation of the Planning Proposal.

Council officers worked closely with the NSW Government to implement certain recommendations of the Hornsby ELS through the reforms. Changes made to the Hornsby LEP through the reforms include changes to permitted and prohibited land uses in employment zones and a new local provision to ensure there is no net loss of gross floor area used for non-residential land in Hornsby's centres.

The Planning Proposal has been prepared to give effect to short term actions within the Hornsby ELS and seeks to implement changes that were not introduced through the Employment Zone Reforms. The Planning Proposal aligns with the strategies and actions of the Region Plan and District Plan that relate to the employment lands and complements changes made to the Hornsby LEP through the Employment Zone Reforms.

HORNSBY SHIRE COUNCIL

Figure 1: Employment zones and industrial precincts across the Shire



HORNSBY SHIRE COUNCIL

1 Objectives or intended outcomes

Objective

The objective of the Planning Proposal is to amend the Hornsby LEP to give effect to the short term strategic actions identified in the Hornsby ELS that seek to facilitate economic activity and support future development and utilisation of employment land across the Hornsby Shire.

Intended Outcomes

In line with the strategic directions and recommendations of the Hornsby ELS, the intended outcomes of the Planning Proposal are to:

- Encourage uses in local centres that will attract pedestrian activity and interaction ensuring the Shire's local centres remain vibrant and viable.
- Increase the diversity of employment opportunities in locations with higher amenity and greater accessibility.
- Improve the utilisation and appeal of industrial land and make Hornsby Shire an attractive place to invest and do business.
- Allow for greater design flexibility in new industrial developments in response to the changing nature of modern industry needs.
- Protect industrial land from higher order uses.
- Reduce pressure on industrial areas to accommodate land uses with no amenity impacts.
- Provide greater consistency and alignment of planning controls applying to industrial zoned land in the Shire.

2 Explanation of the provisions

2.1 Overview

The Planning Proposal incorporates six amendments to the Hornsby LEP intended to implement the short term recommendations of the adopted Hornsby ELS. The amendments will support sustainable economic growth and investment in the Shire's local centres and employment precincts.

- **Amendment 1:** Require active street frontages in local centres
- **Amendment 2:** Permit light industries, except for data centres, in the E1 Local Centre zone (excluding those identified as "Area 1" on the Land Zoning Map).
- **Amendment 3:** Exclude serviced apartments from the calculation of 'non-residential' floorspace
- **Amendment 4:** Restrict the size of food and drink premises in the E4 General Industrial zone to 150sqm of gross floor area.
- **Amendment 5:** Increase the height of building control up to a maximum of 20 metres in some E4 General Industrial zoned precincts.
- **Amendment 6:** Increase the permitted floor space ratio control for land in the Dural Industrial Precinct from 0.7:1 to 1:1.

2.2 The Provisions Explained

The proposed amendments are discussed below.

Note: The draft local environmental plan clauses outlined in this section are provided for indicative purposes only. Final clause wording will be prepared by the Parliamentary Counsel's Office (PCO) should the proposal proceed to finalisation.

Amendment 1: Require active street frontages in local centres

To support the vitality and increase investment and business activity across the Shire's local centres, it is proposed to introduce a new local provision that would require all new development in the E1 Local Centre Zone to have an active street frontage. Where a building has multiple street frontages, the clause would apply to the primary street frontage of the building.

An active street frontage can be described as a continuous frontage of business and retail uses that open directly onto the footpath. The benefits of encouraging land uses that provide an active street frontage are that they will:

- Support the economic viability of local centres by contributing a range of diversified facilities and services.
- Improve the amenity of the public domain by encouraging pedestrian activity and movement.
- Encourage passive surveillance at street level.
- Encourage design of new commercial buildings and tenancies which contribute positively to the public domain and streetscape.

HORNSBY SHIRE COUNCIL

In keeping with the Hornsby ELS's recommendations, this new local provision is intended to provide greater protection and enhance the Shire's local centres to remain as vibrant and safe places offering a diversified range of jobs, goods and services.

Potential wording for the amendment is provided below.

Hornsby LEP – New Local Provision (example only)

6.15 Active Street frontages on land zoned E1 Local Centre

- (1) *The objective of this clause is to ensure land uses provided at street level attract pedestrian traffic and support the vitality of local centres.*
- (2) *This clause applies to land in Zone E1 Local Centre.*
- (3) *Development consent must not be granted to the erection of a building, or change of use of a building, on land to which this clause applies unless the consent authority is satisfied that the building facing the primary street will have an active street frontage after its erection or change of use.*
- (4) *Despite subclause (3), an active street frontage is not required for any part of a building that is used for any of the following—*
 - (a) an entrance or lobby for part of the building,*
 - (b) access for fire services,*
 - (c) vehicular access.*

*In this clause, a building has **an active street frontage** if all premises on the ground floor of the building facing the primary street are designed to promote interaction with the street*

Amendment 2: Permit light industries, except for data centres, in the E1 Local Centre zone (excluding those identified as "Area 1" on the Land Zoning Map).

The Hornsby ELS identifies that market demand is increasing for light industry uses and, that new manufacturing formats based on advanced technologies make light industries an appropriate use for business settings. Under the Hornsby LEP, light industries are permitted in the E3 Productivity Support, E4 General Industrial and the MU1 Mixed Use zones.

The Standard Instrument provides the following definition for light industries:

light industry means a building or place used to carry out an industrial activity that does not interfere with the amenity of the neighbourhood by reason of noise, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit or oil, or otherwise, and includes any of the following—

- (a) high technology industry,*
- (b) home industry,*
- (c) artisan food and drink industry,*
- (d) creative industry.*

Note.

*Light industries are a type of **industry**—see the definition of that term in this Dictionary.*

In December 2021, the 'data centre' land use was included in the Standard Instrument, as a type of 'high technology industry'. This land use was added following the finalisation of the Hornsby ELS in March 2021.

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data centre means a building or place the principal purpose of which is to collect, distribute, process or store electronic data using information technology.

Note—

Data centres are a type of high technology industry—see the definition of that term in this Dictionary.

As explained in the Hornsby ELS, by definition, light industries do not interfere with the amenity of the neighbourhood and their effect on centre function would be minimal. The Hornsby ELS recommends permitting light industries in the former B2 Local Centre zone to:

- Increase the flexibility and utilisation of commercial spaces in centres.
- Increase the diversity of employment opportunities in locations with higher amenity and transport accessibility.
- Reduce pressure on the Shire's already limited and constrained industrial precincts to support uses that do not interfere with the amenity of the surrounding neighbourhood.

The Hornsby ELS, defines the Shire's local centres (identified as former B2 Local Centre zoned areas) as areas that: *"provide essential access to day to day goods and services close to where people live. They are typically located in proximity to public transport and transport interchanges increasing their access to for the surrounding community"*. It is these areas that were identified in the Hornsby ELS to accommodate light industry uses.

As noted above, the data centre land use was introduced as a land use following the finalisation of the Hornsby ELS. As such, the ELS did not contemplate the data centre land use as an appropriate type of development in centres. Data centres are low employment land uses that would not serve the needs of people who live in, work in or visit the area. As such, this Planning Proposal does not seek to permit them as part of this amendment, as permitting their development in local centres would not be consistent with the intent of the Hornsby ELS or the E1 Local Centre Zone.

As part of the Employment Zone Reforms, the B2 Local Centre and the B1 Neighbourhood Centre Zone were merged to form the E1 Local Centre Zone, with former B1 areas now identified as E1 Local Centre (Area 1) within the Hornsby LEP. Table 1 identifies each of the local centres and their former zoning. This amendment will only be applied to former B2 Local Centre zoned areas.

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Table 1: Former zoning of E1 Local Centre zoned centres

B1 Neighbourhood Centre	B2 Local Centre
Galston Road, Galston	Asquith Village
David Road, Castle Hill	Beecroft Village
Appletree Drive, Cherrybrook	Berowra Heights Village
Sefton Road, Thornleigh	Berowra Village
Dartford Road, Thornleigh	Brooklyn Village
Denman Parade, Normanhurst	Cherrybrook Village
Myrtle Street, Normanhurst	Dural Service Centre
Malton Road, North Epping	Mount Colah Village
Balmoral Street, Waitara	Pennant Hills Village
Parklands Rd, Mount Colah	Thornleigh Village
Galston Road, Hornsby Heights	Waitara Village
Somerville Rd, Hornsby Heights	Westleigh Village
Pacific Hwy, Mount Kuring-Gai	West Pennant Hills Village
Pacific Hwy, Cowan	
Dangar Island	
Wisemans Ferry	

The process for allowing light industries, with the exception of data centres, in E1 Local Centres, excluding areas identified as "Area 1" in the Hornsby LEP could be implemented into the Hornsby LEP in two ways.

Option one would create a new Additional Permitted Use for mapped areas, while Option two would create a new local provision leveraging existing land use zoning maps.

Option 1: Hornsby LEP – Schedule 1 Additional Permitted Use clause (example only)

11 Use of certain land for light industry in Zone E1

- (1) This clause applies to land identified as "Area 11" on the [Additional Permitted Uses Map](#).
- (2) Development for the purposes of light industry, with the exception of data centres, is permitted with development consent.

The Additional Permitted Use map amendments are included in Part 4 of this report.

Option 2: Hornsby LEP – New Local Provision (example only)

6.16 Light industry uses in Zone E1

- (1) This clause applies to land zoned E1 Local Centre (excluding land identified as "Area 1") on the [Land Zoning Map](#)
- (2) Development for the purposes of light industry, with the exception of data centres, is permitted with development consent

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Amendment 3: Exclude serviced apartments from the calculation of 'non-residential' floorspace

Existing provisions under clause 4.4 'Floor space ratio' of the Hornsby LEP encourage the provision of non-residential land uses in certain local centres. The provisions allow a development to exceed the permitted floorspace ratio control if the development includes a certain amount of non-residential floorspace. Non-residential floorspace is defined as any floorspace "other than residential accommodation."

Serviced apartments are a type of tourist and visitor accommodation and meet the current non-residential floorspace definition making them eligible to be included as part of a development's non-residential floorspace calculation. Serviced apartments do not generate high levels of pedestrian activity or contribute significant employment opportunities to their locality. Further, serviced apartments have the potential to be converted into permanent residential accommodation, either through subsequent development modification applications or informally.

The Hornsby ELS recommends greater protection for commercial floor space for employment purposes. This amendment would further this recommendation by excluding serviced apartments from being included as part of a development's non-residential floor space calculation.

The proposed amendment does not reduce the permissibility of serviced apartments, but will provide Council with more certainty and control that provision of any new serviced apartments will not diminish the supply of employment floor space across the Shire's centres.

An example of where this has already been done is included in Part 8 of the Hornsby LEP, introduced to support the Hornsby Transport Orientated Development Precinct (Hornsby TOD). Under the provisions included in Part 8 of the Hornsby LEP, the NSW Government introduced a definition of 'non-residential development'. This definition excludes tourist and visitor accommodation (including serviced apartments) from being counted as part of a development's non-residential development floor space calculation.

Potential wording for the amendments is provided below.

Hornsby LEP Clause 6.10 Non-residential land uses in Zone E1 amendments (example only)**6.10 Non-residential land uses in Zone E1**

(1) *The objective of this clause is to protect and maintain the use of land for non-residential purposes in Hornsby's centres.*

(2) *Development consent must not be granted to development for the purposes of residential accommodation in Zone E1 Local Centre unless the consent authority is satisfied that the development would not result in the net loss of gross floor area used for non-residential purposes in Zone E1 Local Centre.*

(3) *In this clause—*

non-residential purposes means purposes, other than residential accommodation **or serviced apartments**, that are permissible in Zone E1 Local Centre.

Hornsby LEP Clause 4.4 amendments (example only)**4.4 Floor space ratio**

(1) *The objectives of this clause are as follows—*

(a) *to permit development of a bulk and scale that is appropriate for the site constraints, development potential and infrastructure capacity of the locality.*

(2) *The maximum floor space ratio for a building on any land is not to exceed the floor space ratio shown for the land on the Floor Space Ratio Map.*

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(2A) Despite subclause (2), the floor space ratio for residential accommodation in an area specified in Column 1 of the Table to this subclause and identified on the Floor Space Ratio Map must not exceed the ratio specified opposite in Column 2 of the Table.

Column 1	Column 2
Area	Floor space ratio
Area 3	1:1
Area 6	0.6:1

(2B) (Repealed)

(2C) Despite subclause (2), the floor space ratio for development on land identified as "Area 5" on the Floor Space Ratio Map may exceed the floor space ratio shown for the land on the Floor Space Ratio Map if the development is for the purposes of—

- (a) shop top housing, and
- (b) any other land use permitted in the zone, other than residential accommodation **or serviced apartments**, that comprises a floor space ratio of at least 0.5:1.

(2D) Despite subclause (2), the floor space ratio for development on land identified as "Area 8" on the Floor Space Ratio Map may exceed the floor space ratio shown for the land on the Floor Space Ratio Map if the development is for the purposes of—

- (a) shop top housing, and
- (b) any other land use permitted in the zone, other than residential accommodation **or serviced apartments**, that comprises a floor space ratio of at least 1:1.

Amendment 4: Restrict the size of food and drink premises in the E4 General Industrial zone to 150sqm of gross floor area.

The Hornsby ELS discusses the importance of local amenities in industrial precincts, which provide spaces for business meetings and social networking and improving the vibrancy and desirability of these areas for employment purposes. These are commonly developed under the 'food and drink premises' land use, which is permitted in the E4 General Industrial zone.

The Hornsby ELS also identifies the risk of larger facilities having the potential to displace less commercially viable industrial uses, increase vehicular traffic and generate more pedestrian movement in areas not typically designed for high pedestrian activity, an outcome contrary to the intent of the E4 General Industrial zone's objectives.

The Hornsby ELS identifies that industrial space in the Shire is already constrained with limited additional land capacity for expansion of these areas. Therefore, the intent of this amendment is to allow for local amenity offerings to be accommodated, but by limiting their size to protect and retain the Shire's remaining industrial land uses from an entertainment land use that could displace employment land uses.

An audit of existing food and drink premises located within the Shire's industrial precincts has been undertaken to inform the amendment. The purpose of the audit was to determine an appropriate floor space area that can comfortably accommodate cooking and storage facilities, adequate indoor seating areas as well as staff and patron amenities based on market demand for local facilities. The results of the audit highlighted that most food and drink premises located within the Shire's industrial precincts are accommodated with within 150sqm of gross floor area (excluding outdoor seating areas).

Therefore, this amendment proposes to introduce floorspace controls to limit the size of food and drink premises to a maximum of 150sqm of gross floor area if they are in E4 General Industrial zoned land.

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The process for restricting the size of new premises could be implemented through a new local provision inserted into Part 6 Additional Local Provisions of the Hornsby LEP. Potential wording for this amendment is provided below.

Hornsby LEP – Hornsby LEP – New Local Provision (example only)

6.16 Food and drink premises in Zone E4 General Industrial Zone

- (1) *This clause applies to land zoned E4 General Industrial*
- (2) *If development for the purposes of a food and drink premises is permitted under this Plan in Zone E4 General Industrial, the gross floor area of the food and drink premises must not exceed 150 square meters.*

Amendment 5: Increase the height of building control up to a maximum of 20 metres in some E4 General Industrial zoned precincts.

Hornsby Shire has a limited amount of E4 General Industrial zoned land, confined to four main precincts: Mount Kuring-Gai, Asquith, Thornleigh and Dural. Industrial space across these precincts is constrained with limited capacity for expansion due to environmental constraints and proximity to adjoining sensitive land uses. Although constrained, the Shire's industrial precincts offer some of the largest and more economically productive employment areas within the North District.

Under the Hornsby LEP, the maximum height of building controls are either 10.5m or 14.5m and the corresponding FSR is 1:1 for most industrial precincts, with the FSR for the Dural Industrial Precinct set at 0.7:1 (proposed to be increased as part of this Planning Proposal).

The Hornsby ELS identifies that some industrial buildings (such as modern distribution centres) require clearance of the equivalent of between five to eight storeys (over 20m) in a single level. Consequently, newer forms of industrial development are unsuited and unable to comply with the current height controls and multiple development applications have relied on Clause 4.6 provisions to vary the height controls to accommodate modern industrial development.

The Hornsby ELS recommends removing or increasing the building heights to at least 16 metres to encourage and facilitate new forms of modern industries establishing their operations in the Shire. The Hornsby ELS, recommended increasing building heights to at least 16m to align with the industrial development standards applying at the time the Hornsby ELS was written under *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008* (SEPP (Exempt and Complying Development)).

Since the Hornsby ELS was finalised, the maximum building height permitted under the SEPP (Exempt and Complying Development) has increased to 18m. A development of this height can be undertaken as a complying development certificate and does not require approval from Council.

As part of this Planning Proposal, it is proposed to increase the allowable height of building control to a maximum of 20m across parts of the Mount Kuring-Gai, Asquith, Thornleigh and Dural industrial precincts. A 20m height control is considered to be an appropriate increase from the existing height standards, that should also incentivise applicants to seek approval from Council to achieve a development greater than what is permitted under the SEPP (Exempt and Complying Development).

The benefits of the increased building height control are that it will:

- Enable redevelopment that responds to current market needs and demands for modern industrial facilities.
- Enable greater design flexibility required to appropriately respond to the existing topography and natural vegetation which restricts developable area across the industrial precincts.

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- Allow for efficient operation of plant, equipment and forklifts required for the operation of modern industrial businesses.
- Reduce the need for excavation to allow for provision of large level building platforms required for industrial operations.
- Allow for a design response that is compatible with surrounding industrial developments where topography has impacted on built form outcomes.

The extent of the proposed changes to allowable building heights across the industrial precincts varies depending on particular opportunities and constraints presented in each precinct. The matters which have been considered in determining appropriate building heights have been adapted from the Hornsby ELS's Guiding Principles, and include:

- **Proximity to sensitive land uses:** Building heights should be retained at their existing standard where there is a direct interface with an adjoining residential area.
- **Constraints to development:** Buildings heights should be increased where existing site constraints such as topography, vegetation and bushfire naturally restrict the buildable area of a site.
- **Scale of the site:** Building heights should be increased where the lots are of a size that is suitable to meet the needs of industrial development.
- **Incentivise redevelopment:** Building heights should be increased where the quality of the building form and utilisation of land is varied to increase industrial development capacity and density.

Utilising the above principles to guide site suitability for development standard increases, within the Asquith, Thornleigh and Dural Industrial precincts, there are areas identified to retain the existing height controls to ensure there is an appropriate interface between industrial buildings and adjoining residential uses.

Maps of the proposed changes to building height controls are included in Part 4 of this report.

Updated DCP controls are being prepared to support the LEP changes and are proposed to be exhibited simultaneously to this Planning Proposal. The DCP control amendments include:

- Removal of maximum site coverage controls for the Mount Kuring-Gai and Dural Industrial Precinct;
- Remove translation of height to storey controls
- Updated minimum boundary setback requirements
- Updated landscaping controls

Amendment 6: Increase the permitted floor space ratio for land in the Dural Industrial Precinct from 0.7:1 to 1:1

The Hornsby ELS recommends investigating opportunities for additional industrial land across the Shire and varying controls to enable greater development footprints. It also recommends exploring opportunities for additional light industrial land around Dural.

Prior to the 2023 Employment Zone Reforms, the Dural Industrial Precinct was zoned IN2 Light Industrial. Under the previous zoning, the precinct accommodated a mix of land uses including a large amount of bulky goods retailing and urban service type uses including hardware stores, gymnasiums, business and office spaces. The historical zoning and corresponding development standards for this area were set with consideration of the amount of retail and commercial floorspace which could be supported in the area without impacting on the role and function of the Round Corner local centre (located within the Hills Shire Council area). The floor space ratio applying to the Dural Industrial Precinct is currently set at 0.7:1.

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Much of the land within the precinct has been redeveloped in the last 20 years resultant of the previous zoning and permitted uses allowable under Council's planning controls. However, as detailed in the Hornsby ELS, there is approximately 1.6ha of undeveloped land that has the potential to be transformed and better utilised for industrial purposes.

As part of the 2023 Employment Zone Reforms, all IN1 and IN2 zoned land was rezoned E4 General Industrial. There were no subsequent changes made to the corresponding development standards for height and FSR applying to these areas. A maximum FSR development standard of 1:1 applies to all other E4 General Industrial zoned land in the Shire including Mount Kuring-Gai, Thornleigh and the Asquith industrial precincts.

Given the recent change in zoning for this precinct, and the recommendations of the Hornsby ELS, it is considered appropriate to increase the maximum FSR control for this precinct to be consistent with the development standards applied to other E4 General Industrial zoned within the LGA.

Maps of the proposed changes to the FSR control applying to the Dural Industrial Precinct are included in Part 4 of the report.

3 Justification

This section of the planning proposal provides the rationale for the proposed amendments and responds to the questions set out in the *Local Environmental Plan Making Guideline* (August 2023).

3.1 Section A: Need for the planning proposal

Is the planning proposal a result of an endorsed LSPS, strategic study or report?

Yes, the Planning Proposal is a result of the *Hornsby Local Strategic Planning Statement* (Hornsby LSPS) and the adopted Hornsby ELS as discussed below.

Hornsby Local Strategic Planning Statement

The Hornsby LSPS (endorsed March 2020) is the 20 year vision for land use; the special character and values that are to be preserved; shared community values; and how Hornsby Shire Council will manage growth and change. It includes priorities and actions to enable the delivery of that vision.

The Productive chapter of the LSPS gives an overview of the Shire's economic profile and vision for the sustainable growth of the area's employment areas.

Over 70 percent of the resident workforce is employed outside of the Shire. This adds to commute times for residents and burdens the transport infrastructure, impacting the quality of life for our community. Council seeks to promote the "30-minute city" by improving the local transport network and regional connections, and by creating more opportunities for the community to both live and work locally.

Council seeks to improve economic opportunities for the Shire's employment centres and precincts....A place-based approach for developing the local economy will provide for sustainable growth and prosperity into the future. A strong focus on the viability of our local centres and employment precincts will support both our current and future population.

Planning Priorities of relevance to this Planning Proposal:

PP2. *Supporting sustainable economic growth based on the Shire's built and natural assets, infrastructure and locational advantages.*

PP3. *Focussing economic development in and around existing centres and employment precincts in the Shire, with a key focus on the strategic centre.*

PP4. *Encouraging innovation and diversification in land identified for the purposes of industrial development and urban services to support economic growth.*

PP5. *Prioritising local employment opportunities, and improvements to services, amenities, and infrastructure to support the future population.*

Actions of relevance to the Planning Proposal:

PA3. *Finalise Employment Land Use Study and outline actions for a delivery program.*

The Planning Proposal is consistent with above planning priorities of the LSPS as it seeks to improve the viability of the Shire's local centres and employment precincts to support both our current and future populations of the Shire. Additionally, the Planning Proposal seeks to implement recommendations from the Hornsby ELS which is consistent with the intent of action PA3.

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The Hornsby ELS and Implementation Action Plan were adopted by Council in May 2021. The purpose of the Hornsby ELS is to support the objectives and priorities of the of the Hornsby LSPS by:

- identifying the key economic and employment issues and trends affecting the LGA in the context of the North District; and
- providing directions to support sustainable growth in the LGA that will meet the employment targets for the North District.

The Hornsby ELS provides strategic directions to guide the supply, development and utilisation of employment lands in the Shire, ensuring a well-informed approach to fostering economic growth and employment opportunities. The six strategic directions are:

1. *Improve the utilisation and appeal of employment lands.*
2. *Establish a sustainable long-term supply of employment land.*
3. *Protect zones for uses that align with their intended role and function.*
4. *Attract a greater diversity of employment and learning opportunities.*
5. *Deliver infrastructure that supports current needs and future growth.*
6. *Establish a framework for sustainable and continued economic growth.*

The Hornsby ELS was prepared to support the North District Plan and the Regional Plan and seeks to give effect to the relevant directions and actions of these Plans. The Hornsby ELS provides a balanced strategy that encourages economic growth and employment to complement the projected population growth for the Shire which will not adversely impact upon the natural and built environment, including heritage. The ELS recommends several strategies related to employment lands. The following are of most relevant to this Planning Proposal:

- *Strategy 1.6: Increase the industrial capacity of Mount Kuring-gai and Asquith*
- *Strategy 1.7: Deliver better places of employment*
- *Strategy 3.2: Protect the role and function of employment lands.*

This Planning Proposal seeks to implement planning control updates as recommended by the Hornsby ELS and included in the Implementation Action Plan. A copy of the Hornsby ELS and the Implementation Action Plan are included in **Appendix B and C**.

Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

Yes, a planning proposal is the best means of achieving the objective and intended outcomes.

This Planning Proposal seeks to implement the recommendations of the Hornsby ELS which will facilitate and support sustainable growth across the Shire's Employment precincts. A number of the recommendations of the Hornsby ELS require the introduction of new local provisions, amendments to existing local provisions and amendments to mapped development standards contained within the Hornsby LEP. Consequently, a planning proposal is the best means of achieving the objectives and intended outcomes.

This Planning Proposal would be supported by complementary amendments to the Hornsby Development Control Plan (Hornsby DCP) as recommended by the Hornsby ELS, however the intent of this proposal could not be achieved by Hornsby DCP amendments alone.

3.2 Section B: Relationship to the strategic planning framework

Will the planning proposal give effect to the objectives and actions of the applicable regional or district plan or strategy (including any exhibited draft plans or strategies)?

An assessment of the Planning Proposal against the relevant objectives of the Region Plan and the planning priorities of the District Plan is provided below:

Table 2: Greater Sydney Regional Plan Review

Objective	Applicable Strategies	Response
Objective 22 Investment and business activity in centres	22.1 Provide access to jobs, goods and services in centres by: • attracting significant investment and business activity in strategic centres to provide jobs growth • diversifying the range of activities in all centres • creating vibrant, safe places and a quality public realm • focusing on a human-scale public realm and locally accessible open space • balancing the efficient movement of people and goods with supporting the liveability of places on the road network • improving the walkability within and to centres • completing and improving a safe and connected cycling network to and within centres • improving public transport services to all strategic centres • conserving and interpreting heritage significance • designing parking that can be adapted to future uses • providing for a diverse and vibrant night-time economy in a way that responds to potential negative impacts • creating the conditions for residential development within strategic centres and within walking distance (up to 10 minutes), but not at the expense of the attraction and growth of jobs, retailing and services; where appropriate, strategic centres should define commercial cores informed by an assessment of their need.	The amendments proposed through this Planning Proposal are intended to increase investment and business activity across the Shire's centres. The range of employment opportunities and uses in local centres will be diversified through the proposed local provision to permit light industries in the E1 Local Centre Zone. The proposed local provision requiring active street frontages in local centres will ensure land uses provided at street level attract pedestrian traffic and contribute to the creation of vibrant and safe places with a strong sense of place.

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Objective	Applicable Strategies	Response
Objective 23: Industrial and urban services land is planned, retained and managed	23.1 Retain, review and plan industrial and urban services land in accordance with the principles for managing industrial and urban services land.	Under the North District Plan, Hornsby Shire Council is identified as an area to review and manage its industrial and urban services land. The Hornsby ELS considers the supply and expected future demand requirements of industrial and urban services land within the Shire. It identifies that the current planning controls for the Shire's industrial precincts should be reviewed to reflect and better support the changing nature and diversity of activities and uses occurring within industrial precincts. The Planning Proposal will facilitate increases to the LEP height and FSR development standards applying to E4 General Industrial zoned land. The changes are intended to increase the capacity, utilisation and redevelopment potential of industrial land. The increased height controls will facilitate the contemporary adaption of industrial and warehouse buildings to better accommodate changes in manufacturing techniques and high-bay automation which require increased building heights.

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Table 3: North District Plan Review

Planning Priority	Applicable Actions	Response
Planning Priority N6 Creating and renewing great places and local centres, and respecting the District's heritage	22. Use place-based planning to support the role of centres as a focus for connected neighbourhoods.	The Planning Proposal includes amendments which seek to further protect retail and commercial floor space across the Shire's centres. As part of this planning proposal it is also proposed to expand the diversity and range of employment opportunities through the local provision to allow for light industries within the Shire's larger local centres. This provision would not permit the data centre land use. That land use would not support the role of centres as a focus for connected neighbourhoods.
Planning Priority N11 Retaining and managing industrial and urban services land	47. Review and manage industrial and urban services land, in line with the principles for managing industrial and urban services land, in the identified local government areas (refer to Figure 18) by undertaking a review of all industrial land to confirm their retention or transition to higher order uses (such as business parks) and prepare appropriate controls to maximise business and employment outcomes, considering the changing nature of industries in the area.	As outlined in the North District Plan, the North District has the lowest amount of industrial land in Greater Sydney and the highest proportion of the land used for urban services. Under the Region Plan and North District Plan Hornsby is identified as an area to review and manage its industrial and urban services land. The Hornsby ELS considers the supply and expected future demand requirements of industrial and urban services land within the Shire. The Hornsby ELS identifies that the current planning controls for its industrial precincts should be reviewed to reflect and better support the changing nature and diversity of activities and uses occurring within industrial precincts. The Planning Proposal will facilitate increases to the LEP height and FSR development standards applying to E4 General Industrial zoned land. The changes are intended to increase the capacity, utilisation and redevelopment potential of industrial land. The increased height controls will facilitate the contemporary adaption of industrial and warehouse buildings to better accommodate changes in manufacturing techniques and high-bay automation which require increased building heights.

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Planning Priority	Applicable Actions	Response
		The Hornsby ELS also identifies that industrial space in the Shire is constrained with limited additional land capacity for expansion. Proposed Amendment 4 of the Planning Proposal seeks to protect the Shire's remaining industrial land from higher and better use encroachment of food and drink premises, by restricting the size of these premises in the E4 General Industrial zone to a maximum of 150sqm of gross floor area.
	48. Manage the interfaces of industrial areas by: Land use activities a. providing buffer areas to nearby activities, such as residential uses, that are sensitive to emissions from 24-hour freight functions b. retaining industrial lands for intermodal and logistics uses from the encroachment of commercial, residential and other non-compatible uses which would adversely affect industry viability to facilitate ongoing operation and long-term growth. c. identifying and preserving land for future intermodal and rail infrastructure. d. accommodating advanced manufacturing where appropriate by zoning that reflects emerging development models. Transport operations e. providing the required commercial and passenger vehicle, and freight and passenger rail access.	As the existing supply of industrial zoned land across the Shire is extremely limited and Council is actively trying to support and protect industrial zoned land from transitioning to alternate uses. The Shire's industrial precincts of Thornleigh, Dural and Asquith have a direct interface with areas zoned and used for residential purposes. As part of this Planning Proposal, building height increases in these areas have been determined and rationalised based on their proximity to adjoining sensitive uses and existing environmental opportunities and constraints presented in each precinct (as identified in Part 2 of this report). Where proximity to sensitive receivers has been identified as a risk, no change is proposed. Further management of the interface of the industrial uses with residential areas will be managed through DCP setback controls.
	49. Facilitate the contemporary adaptation of industrial and warehouse buildings through increased floor to ceiling heights.	The Planning Proposal will facilitate the contemporary adaptation of industrial and warehouse buildings by increasing the allowable height of building control to a maximum of 20m across the Mount Kuring-Gai, Asquith, Thornleigh and Dural industrial precincts.

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Is the planning proposal consistent with a Council LSPS that has been endorsed by the Planning Secretary or GSC, or another endorsed local strategy or strategic plan?

Yes, the Planning Proposal is consistent with the Hornsby LSPS and the Hornsby ELS as discussed above.

Is the planning proposal consistent with any other applicable State and regional studies or strategies?

Yes.

Staying Ahead: State Infrastructure Strategy 2022 – 2042, prepared by Infrastructure NSW

Staying Ahead: State Infrastructure Strategy 2022 – 2042 (the Strategy) was released by Infrastructure NSW in May 2022. The Strategy sets out Infrastructure NSW's independent advice to the NSW Government on the State's needs and strategic priorities for infrastructure over the long term.

The Strategy acknowledges that industrial and urban services land in some parts of Sydney is highly limited, and that these constraints on the availability and use of industrial land poses significant risk to the efficient movement of freight and, in turn, adds to the cost of goods and services. The Strategy acknowledges that in addition to protection and management of existing industrial lands across Greater Sydney, strategic planning must also prioritise the preservation of corridors for future freight infrastructure.

Recommendation No. 43 of the Strategy:

Optimise the use of industrial and urban services lands through integrated strategic land use planning with infrastructure investment

- a. Consider long-term requirements to maintain an efficient statewide supply chain network.*
- b. Review the efficacy of planning constraints placed upon the use of industrial and urban services lands, recreational facilities and associated infrastructure.*

This Planning Proposal has been prepared to respond to the changing needs of modern industry and seeks to implement planning control changes to optimise the utilisation and appeal of the Shire's industrial and urban service land and is therefore consistent with the recommendations of the Strategy.

Industrial Lands Action Plan, NSW Government

In January 2025, the NSW Government released the Industrial Lands Action Plan. Action 1 of the plan is to deliver a statewide policy for industrial lands. The objectives of the statewide policy are to:

- *secure, intensify and actively manage significant industrial lands*
- *support a pipeline of development-ready industrial lands to meet future needs*
- *plan for new industrial lands in areas that are close to transport and freight networks and will not result in land use conflicts*
- *respond to the changing needs of industry, including emerging industries, and support diversification, adaptation, innovation or transition to new employment opportunities*
- *support other government initiatives and programs relating to industry attraction and investment, an efficient freight network, key supply chains, the transition to net zero, or minimising environmental and social impacts*
- *allow for alternative uses in underutilised industrial lands, with an initial focus on alternative employment uses. Other alternative uses (i.e. residential) are only to be considered subject to meeting certain criteria.*

The Planning Proposal is consistent with the objectives of the statewide policy as it will facilitate planning control amendments aimed at actively managing the Shire's significant industrial precincts to:

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- Increase the capacity and utilisation of these areas for industrial purposes
- Provide greater protection of existing industrial areas for industrial purposes and protect this land from higher order uses (food and drink premises)
- Increase the allowable height and FSR development standards to enable the Shire's industrial precincts to respond to the changing needs of modern and emerging industries.

Is the planning proposal consistent with applicable SEPPs?

Yes.

The consistency of the Planning Proposal with applicable SEPPs is detailed in the table below:

Table 4: State Environmental Planning Policies

State Environmental Planning Policy	Aims and applicable provisions of the SEPP	Consistent/ Not Applicable	Response
State Environmental Planning Policy (Biodiversity and Conservation) 2021	The SEPP aims to protect the biodiversity values of tress and other vegetation in non-rural areas of the State and preserve the amenity of non-rural areas of the State through preservation of trees and other vegetation.	Yes	The Mount Kuring-Gai and Asquith Industrial precincts contain potentially significant flora and fauna habitats. The Planning Proposal does not seek to reduce any existing environmental controls or approval processes which must be followed in relation to the clearing of trees and other vegetation.
State Environmental Planning Policy (Exempt and Complying Development Codes) 2008	This SEPP aims to provide streamlined assessment processes for development that complies with specified development standards.	Yes	The Planning Proposal seeks to increase the allowable building height and FSR standards for E4 Industrial zoned land. The amended height and FSR developments standards will provide greater alignment and consistency with the provisions contained within Part 5A Industrial and Business Buildings Code and may facilitate additional development to be undertaken through the SEPP provisions.
State Environmental Planning Policy (Housing) 2021	This SEPP focuses on delivering a sufficient supply of safe, diverse, and affordable housing.	N/A	The Planning Proposal is not inconsistent with any of the requirements of this SEPP.
State Environmental Planning Policy (Industry and Employment) 2021	This SEPP focuses on ensure that signage is compatible with the desired amenity and visual character of an area in addition to provisions for the Western Sydney employment area.	N/A	The Planning Proposal is not inconsistent with any of the requirements of this SEPP.
State Environmental	This SEPP aims to identify development that is State or	Yes	Schedule 2 of this SEPP includes the Cherrybrook Station Government Land

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State Environmental Planning Policy	Aims and applicable provisions of the SEPP	Consistent/ Not Applicable	Response
Planning Policy (Planning Systems) 2021	regionally significant development and infrastructure.		State Significant Precincts Site. The amendments subject of this Planning Proposal does not seek to make amendments to the zones or land in this area.
State Environmental Planning Policy (Precincts - Eastern Harbour City) 2021	This SEPP aims to facilitate the development, redevelopment or protection of important urban, coastal and regional sites of economic, environmental or social significance to the State.	N/A	Within this SEPP, land identified as the "Wahroonga Estate Site" is identified as a State Significant Precinct. This land is zoned R2 Low Density Residential and the amendments subject of this Planning Proposal do not apply to land contained within this Precinct.
State Environmental Planning Policy (Resilience and Hazards) 2021	This SEPP aims to manage risks and build resilience in the face of hazards.	Yes	The proposed amendments sought under this Planning Proposal do not seek to vary or amend any of the existing planning controls related to coastal management areas, hazardous and offensive development or remediation of land contained within the SEPP.
State Environmental Planning Policy (Sustainable Buildings) 2022	This SEPP aims to encourage the design and delivery of sustainable buildings. Chapter 3 Standards for non-residential development	N/A	The amendments subject of this Planning Proposal are not inconsistent with the requirements of this SEPP. Redevelopment of land and buildings enabled by the amendments included within this Planning Proposal may be required to comply with this SEPP, encouraging the design and delivery of sustainable buildings. These matters would be further considered at development application stage.
State Environmental Planning Policy (Transport and Infrastructure) 2021	This SEPP aims to facilitate the effective delivery of infrastructure across the State.	Yes	The proposed amendments sought under this Planning Proposal are not inconsistent with the requirements of this SEPP. The proposed amendments may provide greater flexibility for the provision and delivery of infrastructure and facilities enabled under this SEPP.

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Is the planning proposal consistent with applicable Ministerial Directions (Section 9.1 Directions)?

The consistency of the Planning Proposal with the requirements of the relevant Local Planning Directions (ministerial directions) is discussed in the table contained within **Appendix A**. The ministerial directions of most relevance to the Planning Proposal are discussed below.

1.1 Implementation of Regional Plans

The objective of this direction is to give legal effect to the vision, land use strategy, goals, directions and actions contained in Regional Plans (e.g. the Greater Sydney Region Plan). The direction requires a planning proposal to be consistent with a Regional Plan released by the Minister.

This Planning Proposal seeks to implement the recommendations of the Hornsby ELS which was prepared in accordance with the Greater Sydney Region Plan and North District Plan. An assessment of the Planning Proposal against the relevant objectives of the Region Plan and the planning priorities of the North District Plan is provided in Section B of this report. In summary, the proposed amendments will create opportunities for new local employment opportunities in local centres. The proposed amendments also seek to increase the utilisation and redevelopment potential of the Shire's industrial land to enable contemporary adaption of industrial and warehouse buildings required for modern industrial facilities.

The proposed amendments give effect to the relevant directions and actions of the Regional Plan and North District Plan and as such the Planning Proposal is consistent with Direction 1.1.

4.1 Flooding

The objectives of this direction are to:

- (a) ensure that development of flood prone land is consistent with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005, and*
- (b) ensure that the provisions of an LEP that apply to flood prone land are commensurate with flood behaviour and includes consideration of the potential flood impacts both on and off the subject land.*

The directions require a planning proposal:

- to include provisions that give effect to and consistent with State and Local level flood risk management policies and guidelines,
- must not rezone land within the flood planning area,
- must not contain provisions that apply to the flood planning area which:
 - permit development in floodway areas
 - permit development that will result in significant flood impacts to other properties
 - permit development for the purposes of residential accommodation in high hazard areas
 - permit development to be carried out without development consent
 - are likely to result in a significantly increased requirement for government spending on emergency management services
 - permit hazardous industries or storage establishments where hazardous materials cannot be effectively contained during the occurrence of a flood event.

Due to the broad application of the Planning Proposal to the Shire's employment lands and precincts, the proposal would apply to land that is flood prone. However, the Planning Proposal does not seek to rezone land or change the existing requirements for development of land at or below the flood planning level.

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The existing controls contained within the Hornsby LEP, Hornsby DCP and relevant guidelines would continue to apply to any flood prone land.

The proposed amendments give effect to the objectives of the direction as such the Planning Proposal is consistent with Direction 4.1.

4.3 Planning for Bushfire Protection

The objectives of this direction are to:

- (a) protect life, property and the environment from bush fire hazards, by discouraging the establishment of incompatible land uses in bush fire prone areas, and*
- (b) encourage sound management of bush fire prone areas.*

The directions require a planning proposal:

- prepared with the consultation of the Commissioner of the NSW Rural Fire Service following receipt of a gateway determination and prior to undertaking community consultation.
- have regard to Planning for Bushfire Protection 2019.
- introduce controls to avoid inappropriate developments in hazardous areas.
- ensure bushfire hazard reduction is not prohibited within the Asset Protection Zone (APZ).
- provide an APZ incorporating minimum inner and outer protection areas.
- provide for an appropriate performance standard for infill developments where appropriate APZ cannot be achieved.
- provisions for two-way access roads which links to perimeter roads and/or to fire trail networks.
- provisions for adequate water supply for firefighting purposes.
- minimise the perimeter of the area of land interfacing the hazard which may be developed.
- introduce controls on the placement of combustible materials in the Inner Protection Area.

The Mount Kuring-Gai, Asquith, Dural and a small part of the Thornleigh industrial precincts contain bushfire prone land and many of the Shire's local centres are also located in bushfire prone land.

The Planning Proposal relates to urbanised land currently used and zoned to permit a range of employment uses. The proposed amendments are simply a review and update of existing development standards that will enable greater utilisation of existing employment zoned land for employment purposes. It does not rezone land or increase permissible land uses in a way that would introduce more sensitive or inappropriate developments in hazardous areas.

The existing development controls contained within the Hornsby LEP and Hornsby DCP are considered sufficient to ensure that where development is proposed on bushfire prone land it is located and designed to minimise the risk to life and property from bushfires.

Direction 4.3 also requires that, where a Planning Proposal is subject to the Direction, the relevant planning authority consult with the Commissioner of the NSW Rural Fire Service following the receipt of a Gateway prior to public consultation and account any comment made. The Gateway Determination requires a 30-working day consultation period with the NSW Rural Fire Service.

In response to the requirements, the Planning Proposal was provided to the NSW Rural Fire Service on 2 February 2026. On 17 March 2026, the NSW Rural Fire Service confirmed that it had no objection to the Planning Proposal proceeding to public exhibition. On 10 April 2026, the RFS wrote to Council confirming that future development

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applications that are in proximity to bush fire prone land would be required to prepare bush fire assessment reports following the requirements of Planning for Bushfire Protection 2019. No additional information has been required prior to public exhibition.

The proposed amendments give effect to the objectives of the direction as such the Planning Proposal is consistent with Direction 4.3. The Planning Proposal has also been updated to reflect the feedback and the requirements of the Direction and the Gateway Determination on the subject have been met.

7.1 Employment zones

The objectives of this direction are to:

- (a) encourage employment growth in suitable locations,*
- (b) protect employment land in employment zones, and*
- (c) support the viability of identified centres.*

The directions require a planning proposal to give effect to the objectives of the direction, retain employment zoned areas, not reduce the total potential floor space area used for employment and industrial uses and be in accordance with Strategy approved by the Planning Secretary.

The Planning Proposal is consistent with the directions of 7.1 Employment Zones in that the Planning Proposal:

- Gives effect to the objectives of this direction in that it will:
 - encourage a diversity of employment opportunities in locations with higher amenity and greater accessibility through permitting light industries, **with the exception of data centres**, in the larger local centres
 - Protect, retain and seek to improve the utilisation and appeal of industrial land through changes to the height of building and FSR development standards for E4 General Industrial zoned land.
 - Support the vitality of the Shire's local centres through new provisions that will protect commercial floor space in centres for employment uses and requiring new development to have an active street frontage.
- Retains and proposes planning controls updates that seek to improve the utilisation and appeal of the employment zoned land across the Shire
- Does not reduce the total potential floor area for employment uses in employment Zones
- Provides opportunities to increase the total potential floor area for industrial uses in the E4 General Industrial Zone
- Is justified by the Hornsby ELS which was prepared in accordance with the Greater Sydney Region Plan and North District Plan and gives effect to the relevant objectives and priorities of these plans.

As such, the Planning Proposal is consistent with this direction.

3.3 Section C: Environmental social and economic impact

Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected because of the proposal?

The planning proposal would not increase risks to critical habitat, threatened species, populations or ecological communities, or their habitats.

The planning proposal relates to urbanised land currently used for a range of employment purposes. With the exception of industrial lands at Dural, it would not result in new controls that would, in themselves, increase development floor areas or other risks to habitat. Land at Dural is proposed to have an increased FSR, to align with FSRs in similar industrial areas. Height mapping would allow for floor area to be located away from any sensitive lands, should they be identified as part of a future development process.

Are there any other likely environmental effects of the planning proposal and how are they proposed to be managed?

A summary of the potential environmental effects of the proposed amendments and how they are proposed to be managed is provided below.

Management of industrial uses in proximity to sensitive areas

As outlined in Part 2 of this report, the industrial precincts of Asquith, Thornleigh and Dural interface with residential uses. A buffer has been applied at these interfaces where existing height controls would continue to apply, with the goal of managing the interface of industrial areas with adjoining residential uses. Maps depicting the changes to the height of building controls are included in Part 4 of this report.

The Hornsby DCP controls for industrial development state that development should be sited and designed to be environmentally sustainable, minimise land use conflicts and operate under appropriate environmental management measures to manage waste and minimise air, water and noise pollution. New industrial development will continue to be required to comply Council's controls and other the relevant State Government Guidelines including but not limited to the EPA's 2017 Noise Policy for Industry.

Traffic generation

Industrial development

The intent of increasing the allowable building height is to enable redevelopment that better caters to the needs of modern industrial facilities. The increase the allowable height will not increase the density and capacity of new industrial development as this will continue to be controlled through the allowable FSR controls applying to the land.

Notwithstanding the above, an assessment of a development's potential traffic and parking demand will be undertaken as part of any development applications lodged with Council. This assessment will include consideration of the expected traffic, transport and parking impacts and will ensure that the development and its locality can appropriately manage the traffic and transport impacts of the proposed development.

Light industries

Expected trip generation and car parking requirements for light industry uses will largely be dependent on the specific uses proposed. However, overall light industry uses are expected to generate less traffic and car parking demand than traditional local centres uses such as retail and food drink premises. An assessment of a

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development's potential traffic and parking demand will be undertaken as part of any development application lodged with Council. This assessment will include consideration of the expected traffic, transport and parking impacts and will ensure that the development and its locality can appropriately manage the traffic and transport impacts of the proposed development

Existing provisions contained in Part 1 of the Hornsby DCP are considered appropriate to manage vehicular access and the design and layout of on-site loading, servicing and waste collection vehicles required to service light industry development in local centres.

Amenity and character protection of local centres

As outlined in Part 2 of this report, Hornsby ELS recommends permitting light industries in the former B2 Local Centre zone because, by definition, light industries do not interfere with the amenity of the neighbourhood. It is anticipated that the types of light industries which may look to establish operations in local centres includes uses such as microbreweries, boutique craft food and drink premises, artist studios recording studios or coffee roasters.

The permissibility of light industries will be limited to the Shire's larger local centres where the use would not create adverse impacts on the existing character and functionality of the centre to provide access to day to day shopping and services needs of the surrounding population.

The existing general provisions contained within the Hornsby LEP and Hornsby DCP would continue to apply to ensure new light industrial developments are responsive to existing local conditions.

Heritage considerations

Due to the broad application of the Planning Proposal to employment zones across Hornsby Shire, the proposal would apply to land that contains heritage listed items listed in Schedule 5 of the Hornsby LEP. The existing provisions contained within the Hornsby LEP and Hornsby DCP adequately conserve the heritage significance of listed items. No further provisions are considered necessary under the Planning Proposal to facilitate the continued conservation and of heritage items within the Shire's industrial and employment precincts.

Natural hazards

Some of the Shire's employment lands and precincts are affected by natural hazards including flooding, bushfire and contamination. A high level summary each of these hazards and how they have been considered as part of this Planning Proposal is summarised below.

Flooding

Parts of the Shire impacted by this proposal are located in the flood planning area. However, the Planning Proposal does not seek to rezone land or change the existing requirements for development of land identified at or below the flood planning level. The existing controls contained within the Hornsby LEP and Hornsby DCP are considered sufficient to ensure that where development of land at or below the flood planning level is proposed, it is located and designed to minimise the risk to life, property and the environment from flooding.

Bushfire

Due to the extensive areas of bushland within the Shire, some of the Shire's employment precincts including Asquith, Mount Kuring-Gai, Dural and a small area of the Thornleigh industrial precincts are identified as bushfire prone land. The existing development controls contained within the Hornsby LEP and Hornsby DCP are considered sufficient to ensure that where development is proposed on bushfire prone land it is located and designed to minimise the risk to life and property from bushfires.

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Local Planning Direction 4.3 states that the relevant planning authority must consult with the Commissioner of the NSW Rural Fire Service following the receipt of a Gateway Determination. The Gateway Determination requires a 30-working day consultation period with the NSW Rural Fire Service.

In response, the Planning Proposal was provided to the NSW Rural Fire Service on 2 February 2026. On 17 March 2026 the NSW Rural Fire Service confirmed that it had no objection to the Planning Proposal proceeding to public exhibition. On 10 April 2026, the RFS wrote to Council confirming that future development applications that are in proximity to bush fire prone land would be required to prepare bush fire assessment reports following the requirements of Planning for Bushfire Protection 2019. This is consistent with current requirements for development on bushfire prone land.

Contamination

Resultant of previous industrial uses within the employment lands, the Planning Proposal does apply to land that is identified as being contaminated. However, the Planning Proposal does not seek a change of use of any industrial land, but rather to increase the development capacity and improve the utilisation of the Shire's existing industrial precincts.

The Hornsby DCP contains provisions that where land is suspected of being contaminated and work is proposed that may disturb contaminated land, a preliminary contamination assessment is required to be prepared and submitted to Council as part of a development application. No further investigations or contamination assessments are considered necessary to progress this Planning Proposal.

In summary, any environmental effects of new development resultant of the changes made through this Planning Proposal will continue to be appropriately managed through existing or updated planning controls contained within the Hornsby LEP and Hornsby DCP.

Has the planning proposal adequately addressed any social and economic effects?

A summary of the social and economic benefits of the Planning Proposal are provided below.

Increasing industrial and urban service land capacity to meet future demand

The Hornsby ELS identifies that the North District contains the lowest provision of industrial and urban service land when compared to the other districts. Of that currently zoned within the North District, a significant amount is located within the Hornsby LGA. The Hornsby ELS further identifies that over the coming decades, as the surrounding population increases, Hornsby's employment precincts will increasingly play an important role for providing appropriately zoned land for industrial and urban services to serve both the Hornsby LGA and wider North District.

The amendments sought through this Planning Proposal are intended to attract economic activity and investment by increasing the capacity of the Shire's industrial and urban service land to meet future demand and accommodate modern industrial facilities.

Further, redevelopment of the Shire industrial precincts will bring additional social and economic benefits to the LGA through increased employment opportunities generated through the design and construction of new buildings and increased demand for services generated by workers both during and after construction.

Increased local jobs opportunities

In 2016 of the 70,700 employed residents, only 28% were employed locally (increasing slightly to 29.4% in the 2021 census). The Hornsby ELS identifies that supporting employment opportunities in industries that Hornsby residents are increasingly seeking employment in, could increase the Shire's containment rate while also helping achieve other planning directions such as the 30-minute city concept.

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With over 70% of the resident workforce leaving the Shire for employment opportunities, there is a need to increase the range and diversity of local jobs in industries where there is identified market demand. The amendments proposed as part of this Planning Proposal will actively encourage and support a diversity of new employment opportunities across the Shire's industrial and employment precincts. There will be flow on economic and social benefits derived from increased demand for other facilities and services required to meet resident, worker and visitor needs.

Overall, the Planning Proposal seeks to give effect to the short term strategic actions identified in the Hornsby ELS that seek to facilitate changes to the planning controls which will support positive social and economic effects to the Shire's employment zones and industrial precincts.

3.4 Section D: Infrastructure (Local, State and Commonwealth)

Is there adequate public infrastructure for the planning proposal?

The proposed amendments to increase the capacity of the Shire's industrial precincts to accommodate modern industrial facilities may put additional pressure on existing infrastructure including, but not limited to electricity, gas, water supply and trade waste services. However, the industrial and employment lands across the Shire are located in highly urbanised areas that are adequately serviced by existing infrastructure. It is considered that any increase in industrial land capacity and utilisation would be marginal and in line with expected and planned demand increases on public infrastructure.

Consultation with relevant public authorities and government agencies responsible for the provision of infrastructure will be undertaken in accordance with the requirements of the Gateway determination.

Additionally, applicants looking to redevelop significant land parcels within the Shire's industrial precincts would be advised to consult with relevant service providers to understand the service requirements of the proposed development and ensure the development integrates any services and structures required by the providers.

3.5 Section E: State and Commonwealth interests

What are the views of state and federal public authorities and government agencies consulted in order to inform the Gateway determination?

State and Commonwealth public authorities have not yet been contacted directly about the Planning Proposal. Public authorities will be contacted in accordance with the requirements of the Gateway Determination.

4 Mapping

As detailed in Part 2 of this report, the amendments proposed as part of this Planning Proposal will require associated mapping amendments.

Mapping amendments will be required to the Height of Building Maps, Floor Space Ratio Maps and the Additional Permitted Uses maps.

As part of the employment zones implementation, part of the Hornsby LEP was migrated to digital mapping. Council's Additional Permitted Uses Map is now located on the Digital EPI. PDF maps remain in-force for all other layers including Height of Building Maps and Floor Space Ration Maps.

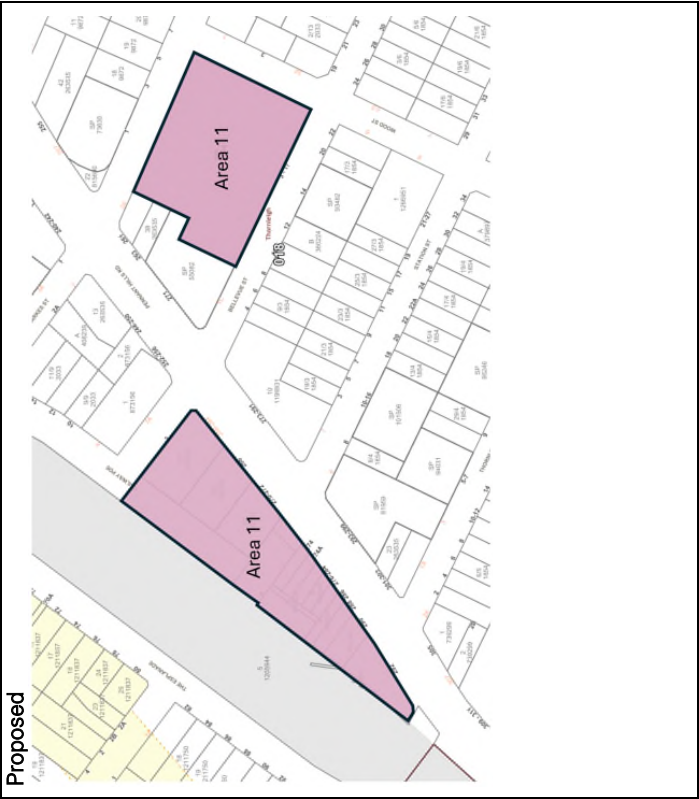
Council will work with DPHI during finalisation of the Planning Proposal to determine the best method of implementing the mapping amendments required as part of this Planning Proposal.

The following tables detail the proposed amendments to the Hornsby LEP 2013 maps.

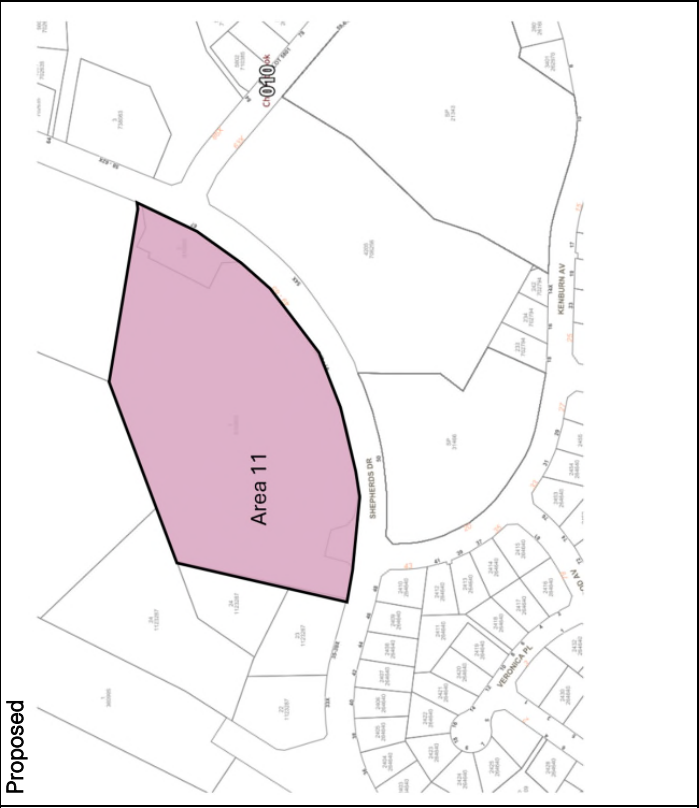
4.1 Additional Permitted Uses Map Amendments

The following tables detail the proposed amendments to the Hornsby LEP Additional Permitted Uses Map (to be located on the Digital EPI) if Option 1 detailed in Part 2.2 of this report is taken forward.

Table 5: Proposed amendments to the Hornsby LEP Additional Permitted Uses Maps

Local Centre: Thornleigh Village		
Map Sheet(s): APU_018		
Existing		
Proposed		

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Local Centre: Cherrybrook Village	
Map Sheet(s): APU_010	
Existing	Proposed
	

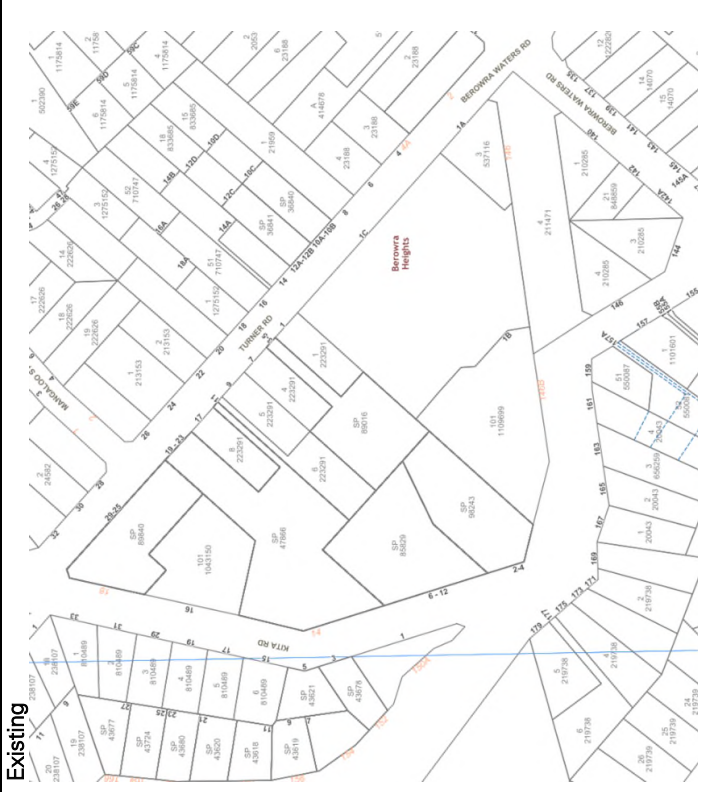
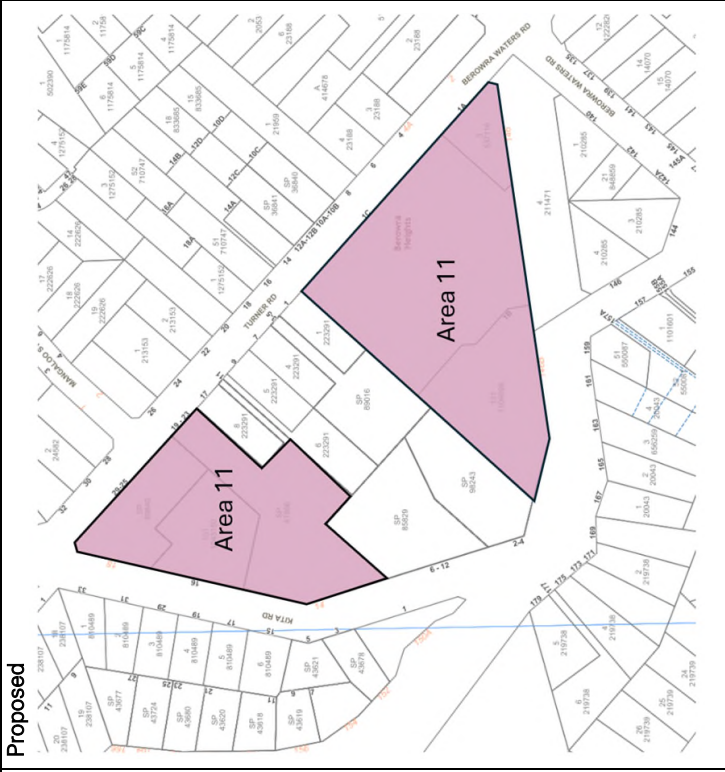
ATTACHMENT 1 - ITEM 6

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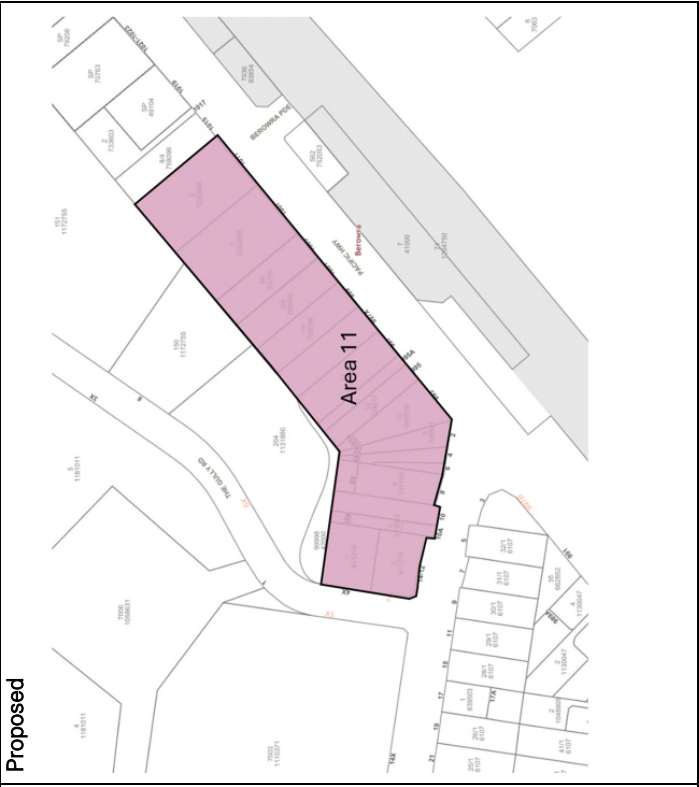
Local Centres: Pennant Hills	
Map Sheet(s): APU_010 and APU_018	
Existing	Proposed

ATTACHMENT 1 - ITEM 6

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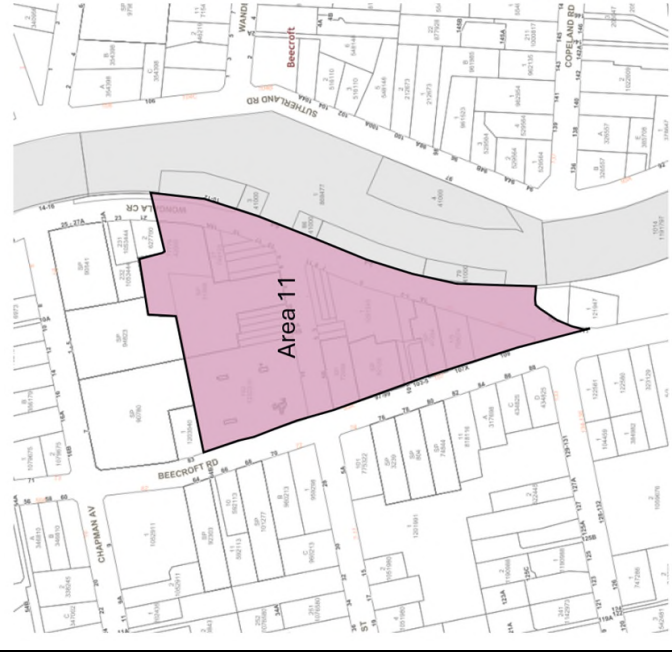
Local Centres: Berowra Heights Village	Map Sheet(s): APU_022	Existing  Proposed 
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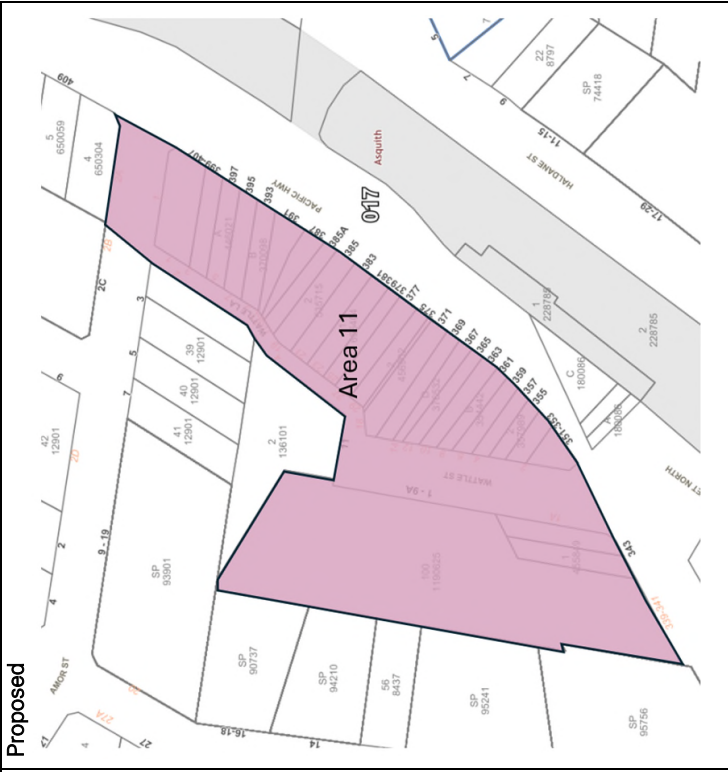
Local Centres: Berowra Village
Map Sheet(s): APU_022
Existing  Proposed 

ATTACHMENT 1 - ITEM 6

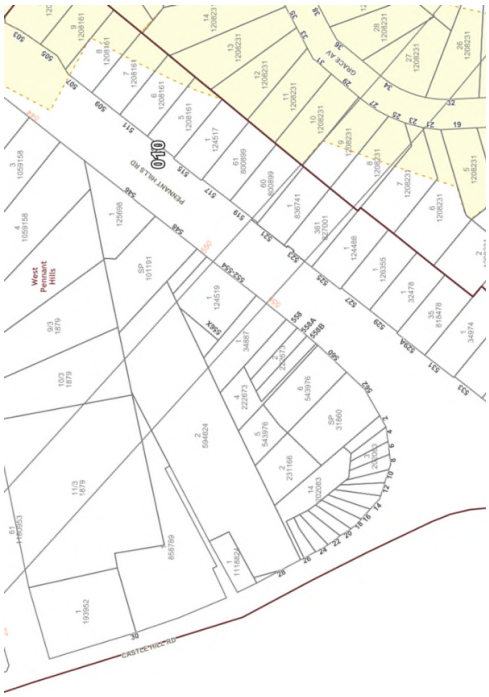
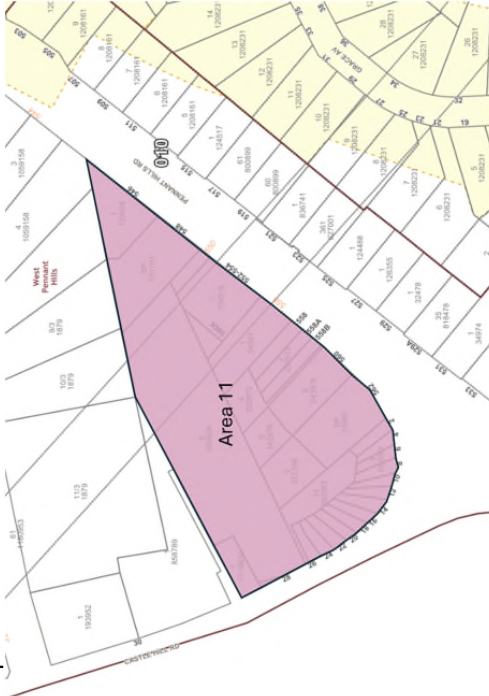
HORNSBY SHIRE COUNCIL

Local Centres: Beecroft Village	Map Sheet(s): APU_010	Existing  Proposed 
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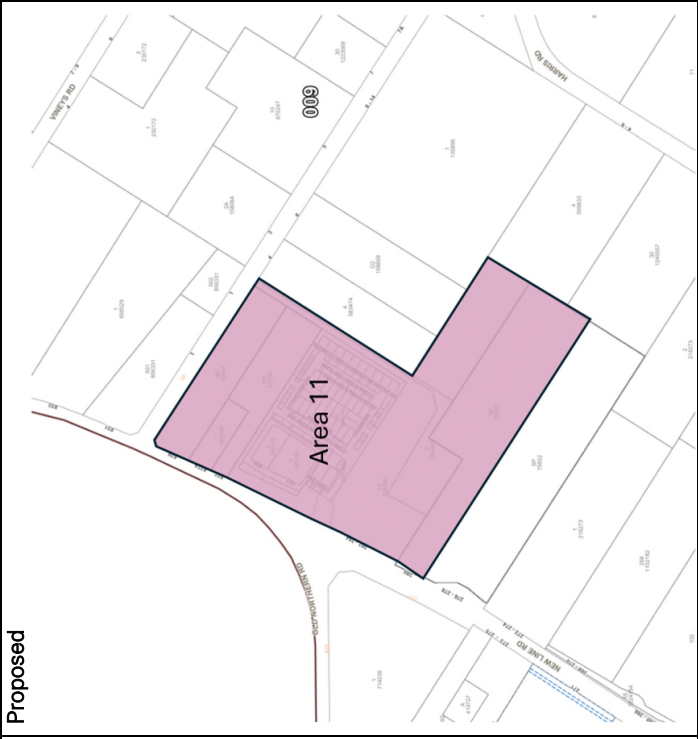
Local Centres: Asquith Village	
Map Sheet(s): APU_017	
Existing	Proposed
	

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Local Centres: West Pennant Hills Village	
Map Sheet(s): APU_010	
Existing	
Proposed	

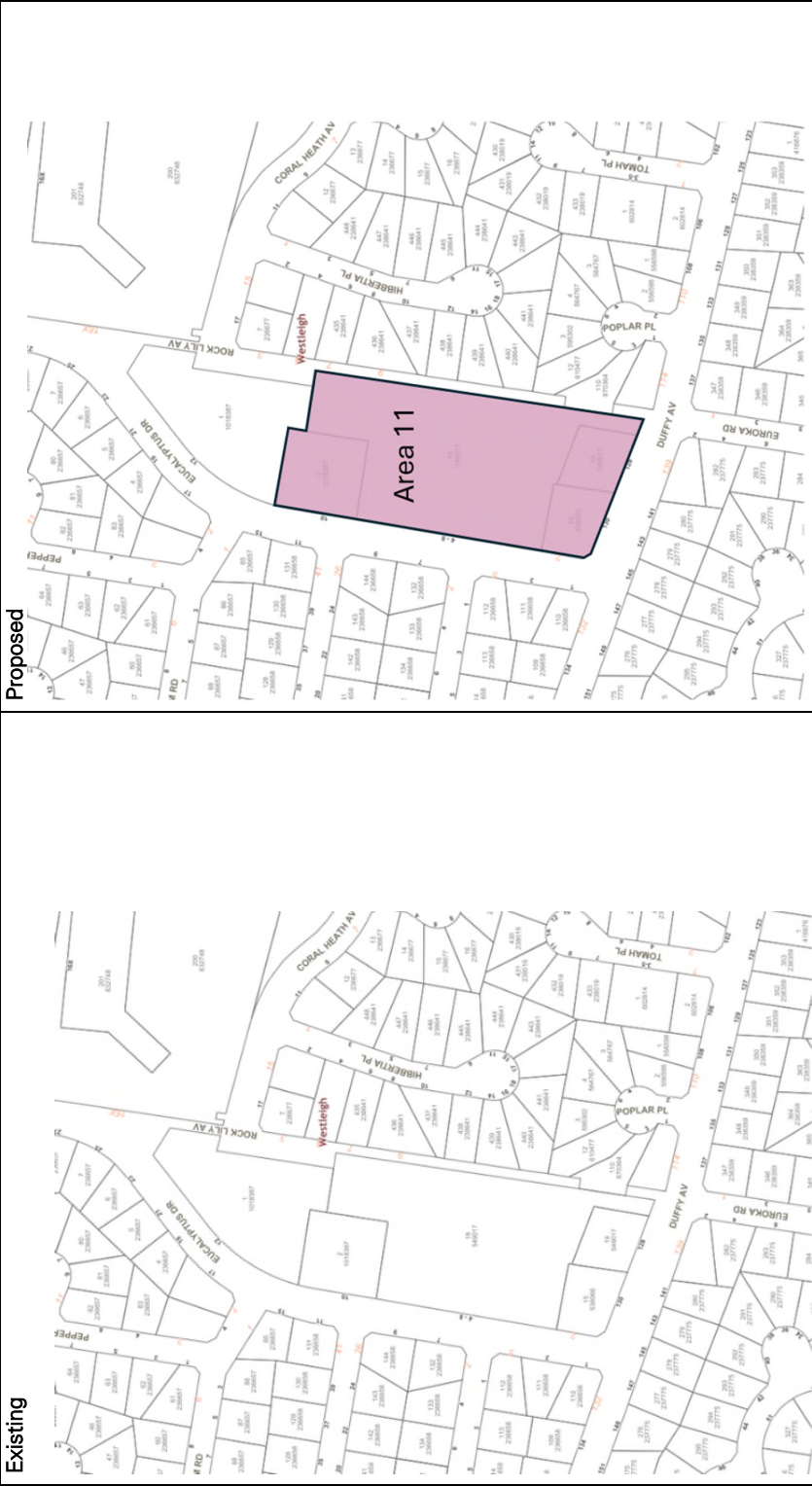
ATTACHMENT 1 - ITEM 6

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Local Centres: Dural Service Centre	
Map Sheet(s): APU_009	
Existing	Proposed
	

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Local Centres: Westleigh Village	
Map Sheet(s): APU_010	
Existing	Proposed



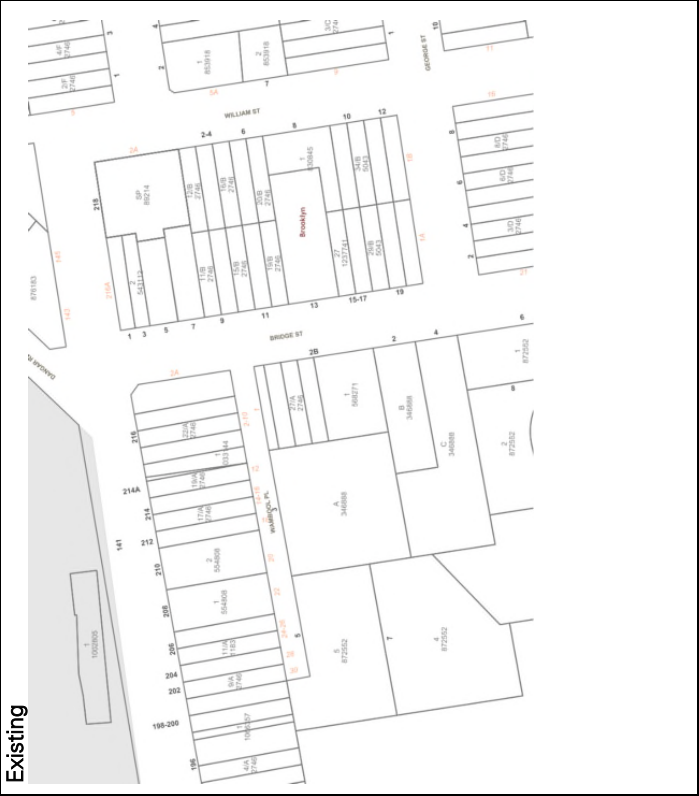
ATTACHMENT 1 - ITEM 6

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Local Centres: Waitara Village	Map Sheet(s): APU_017	Existing Proposed
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ATTACHMENT 1 - ITEM 6

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Local Centres: Brooklyn Village	
Map Sheet(s): APU_025	
Existing	
Proposed	

ATTACHMENT 1 - ITEM 6

HORNSBY SHIRE COUNCIL

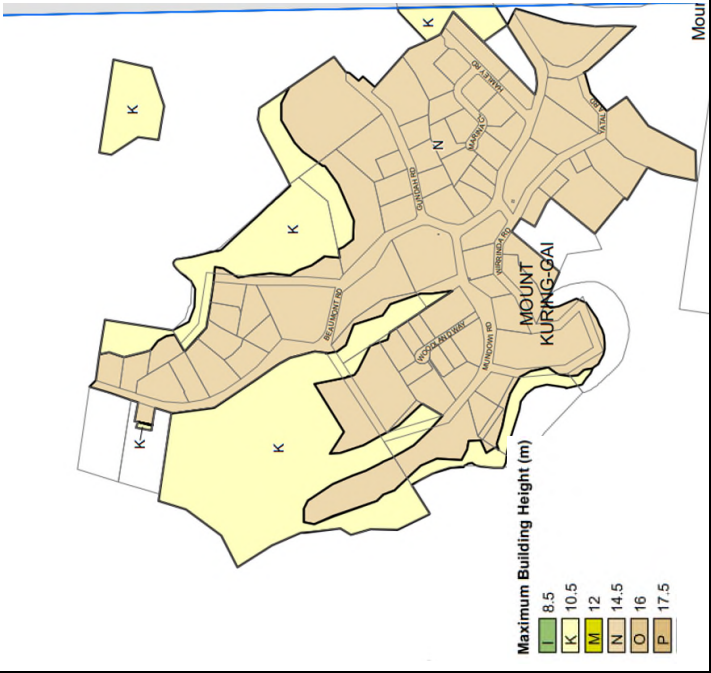
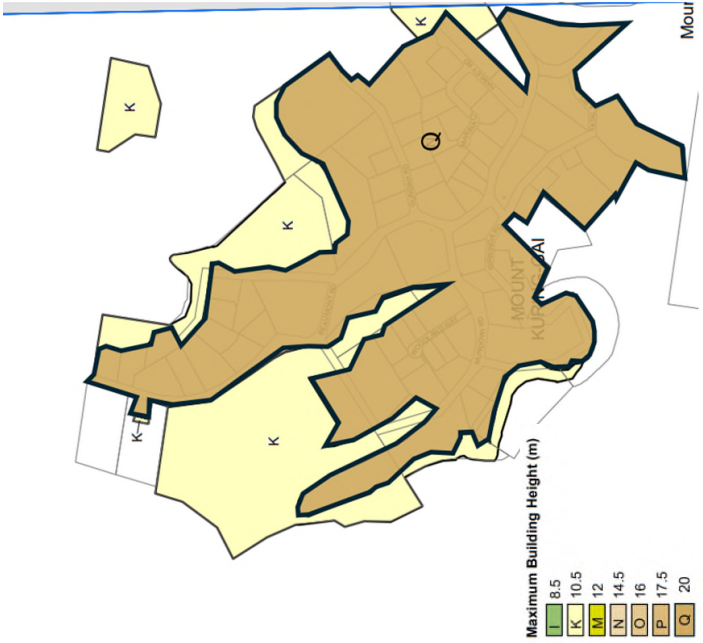
Local Centres: Mount Colah Village	
Map Sheet(s): APU_017	
Existing	Proposed

ATTACHMENT 1 - ITEM 6

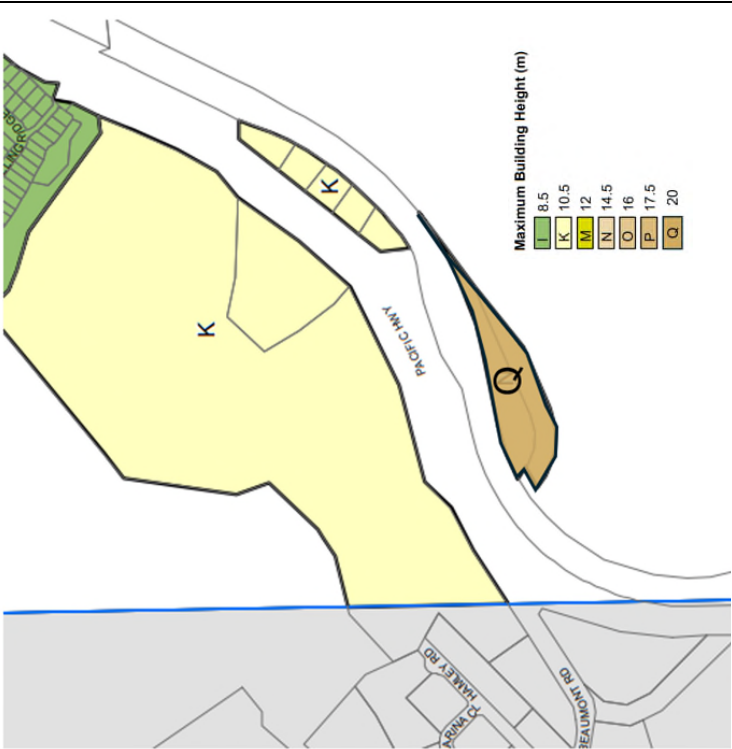
4.2 Height of Building Map Amendments

The following tables detail the proposed amendments to the Hornsby LEP Height of Buildings Map.

Table 6: Proposed amendments to the Hornsby LEP Height of Building Maps

Industrial Area: Mount Kuring-gai	
Map Sheet(s): HOB_016	
Existing	Proposed
	

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Industrial Area: Mount Kuring-gai		
Map Sheet(s): HOB_023		
Existing		

ATTACHMENT 1 - ITEM 6

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Industrial Area: Dural		
Map Sheet(s): HOB_009		
Existing		
Proposed		

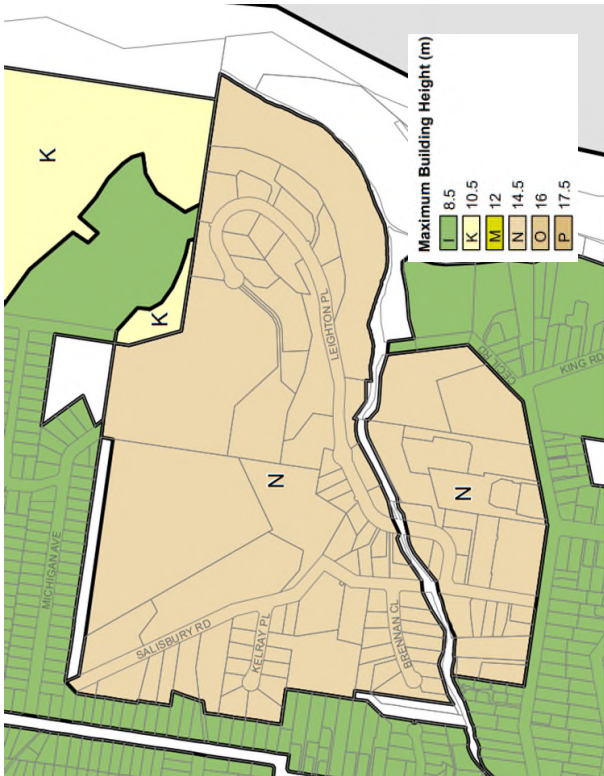
ATTACHMENT 1 - ITEM 6

HORNSBY SHIRE COUNCIL

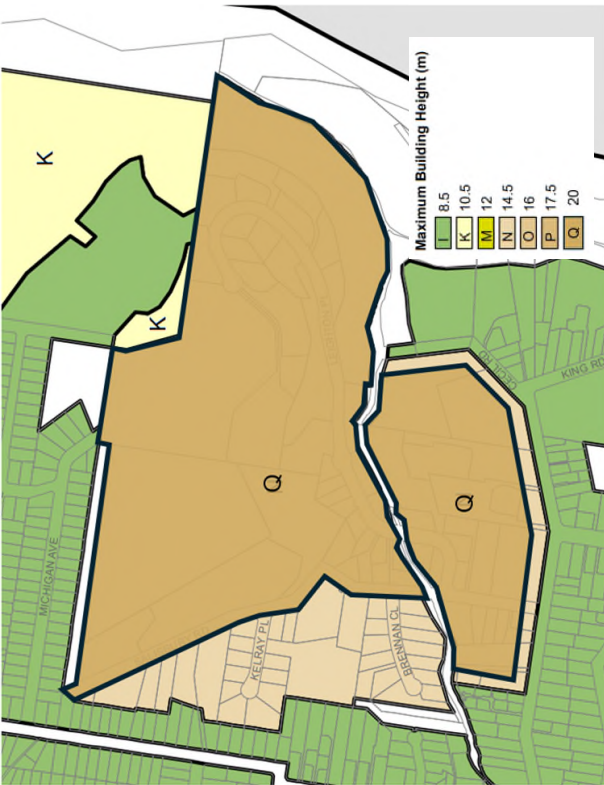
Industrial Area: Asquith

Map Sheet(s): HOB_017

Existing



Proposed



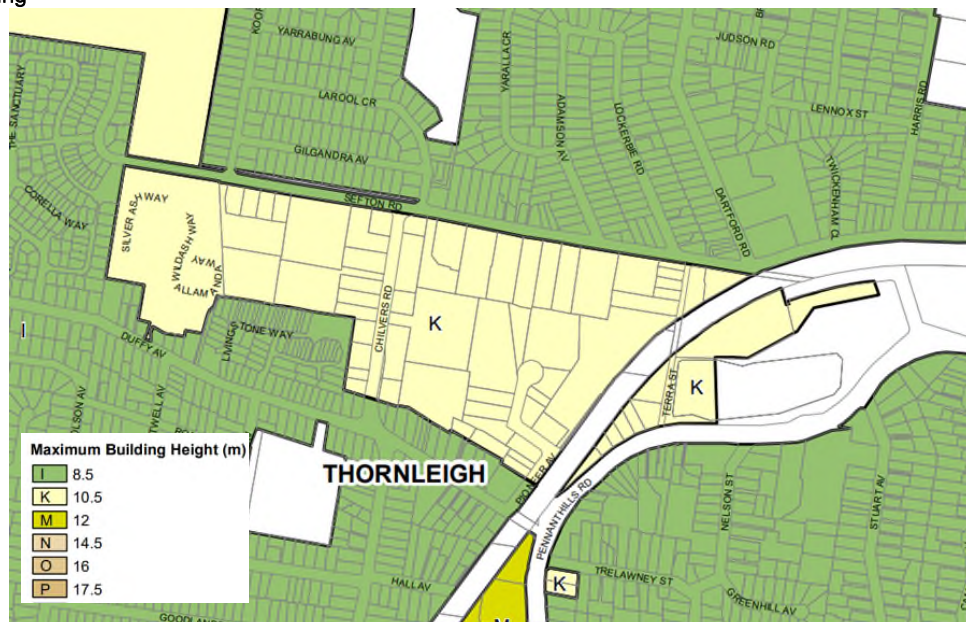
ATTACHMENT 1 - ITEM 6

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Industrial Area: Thornleigh

Map Sheet(s): HOB_018

Existing



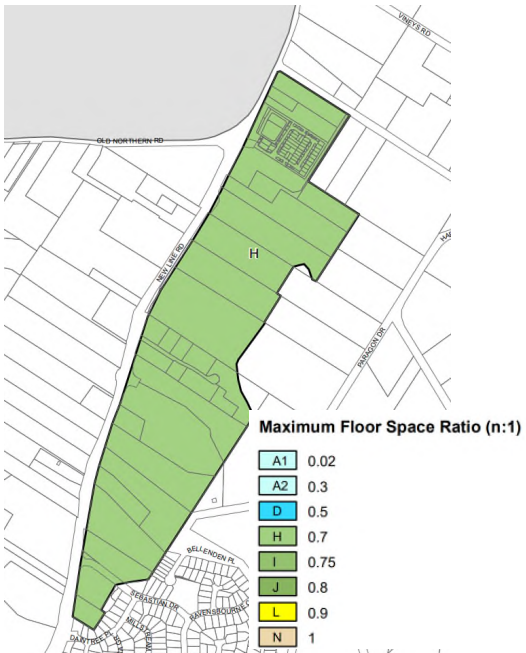
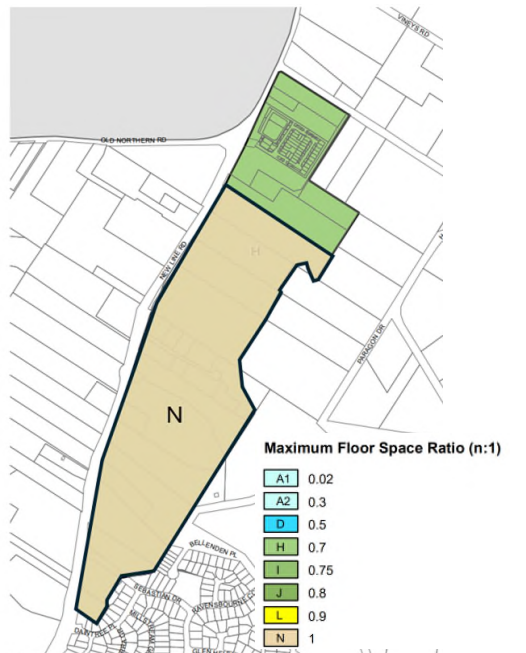
Proposed



4.3 Floor Space Ratio Map Amendments

The following table details the proposed amendments to the Hornsby LEP Floor Space Ratio Map.

Table 7: Proposed amendments to the Hornsby LEP Floor Space Ratio Maps

Industrial Area: Dural	
Map Sheet(s): FSR_009	
Existing 	Proposed 

5 Consultation

This Planning Proposal is being drafted as a result of the recommendations of the Hornsby ELS. Stakeholder engagement and community consultation were undertaken to assist in the preparation of the Hornsby ELS as follows:

Stakeholder engagement was undertaken with local business owners, industrial business operators, major landowners, real estate agents, property industry representatives, Council employees and residents to assist in the preparation of the draft Hornsby ELS. The objective of the engagement was to gain an understanding of how local stakeholders viewed Hornsby's business environment. The findings of this consultation helped inform the recommendations of the Hornsby ELS.

Once drafted, Hornsby ELS was exhibited on Council's website from 15 October 2020 to 18 December 2020 and 12 submissions were received.

To ensure that the community is informed of this Planning Proposal, the Planning Proposal will be publicly exhibited in accordance with the requirements of the Gateway Determination and Council's Community Engagement Plan. Public exhibition will include:

Public authorities

The Planning Proposal's Gateway Determination has identified that the Planning Proposal is to be provided to the NSW Rural Fire Service in response to Ministerial Direction 4.3 Planning for Bushfire Protection, and for the planning proposal to be updated, if required, following consultation with the NSW Rural Fire Service and before public consultation.

The Gateway Determination requires a 30-working day consultation period with the NSW Rural Fire Service under Section 3.34(2)(d) of the Environmental Planning and Assessment Act and relevant Ministerial Directions.

In response, the Planning Proposal was provided to the NSW Rural Fire Service on 2 February 2026. On 17 March 2026 the NSW Rural Fire Service confirmed that it had no objection to the Planning Proposal proceeding to public exhibition.

Letters to affected property owners

Notification letters will be sent to affected property owners advising them of the exhibition of the Planning Proposal. This is envisioned to be, at minimum all property owners of E4 General Industrial zoned land and adjoining property owners.

Advertisement on the Council website

The Planning Proposal will be exhibited on Council's 'Your Say Hornsby' webpage.

(<https://yoursay.hornsby.nsw.gov.au/>)

E-News

An advertisement would be placed in Council's electronic newsletter.

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6 Project timeline

Table 8: Project Timeline

Stage	Timeframe
Council decision	August 2025
Gateway assessment	August 2025
Gateway determination	October 2025
Pre exhibition consultation and updates as required	February to April 2026
Public/agency exhibition	May to June 2026
Submission analysis	June to July 2026
Council decision	August 2026
Finalisation	September 2026

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Appendices

Appendix A: Assessment Against Applicable Local Planning Directions

Appendix B: Hornsby Shire Employment Lands Study

Appendix C: Implementation Action Plan

Appendix D: Equivalent Zone Table

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Appendix A: Assessment Against Applicable Local Planning Directions

Table 9: Assessment of Planning Proposal against applicable Local Planning Directions

Ministerial Direction	Objective and Direction	Response
1.1 Implementation of Regional Plans	<u>Objective</u> The objective of this direction is to give legal effect to the vision, land use strategy, goals, directions and actions contained in Regional Plans <u>Direction</u> Planning proposals must be consistent with a Regional Plan released by the Minister for Planning.	Consistent. The Planning Proposal is consistent with the objectives and priorities of the Greater Sydney Region Plan and North District Plan as demonstrated in Part 3 Section B of this Planning Proposal.
1.3 Approval and Referral Requirements	<u>Objective</u> The objective of this direction is to ensure that LEP provisions encourage the efficient and appropriate assessment of development. <u>Direction</u> (1) A planning proposal to which this direction applies must: (a) minimise the inclusion of provisions that require the concurrence, consultation or referral of development applications to a Minister or public authority, and (b) not contain provisions requiring concurrence, consultation or referral of a Minister or public authority unless the relevant planning authority has obtained the approval of: i. the appropriate Minister or public authority, and ii. the Planning Secretary (or an officer of the Department nominated by the Secretary), prior to undertaking community consultation in satisfaction of Schedule 1 to the EP&A Act, and (c) not identify development as designated development unless the relevant planning authority: i. can satisfy the Planning Secretary (or an officer of the Department nominated by the Secretary) that the class of development is likely to have a significant impact on the environment, and	Consistent. The Planning Proposal does not contain provisions requiring concurrence, consultation or referral provisions to a Minister or a Public Authority or identify development as designated development.

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Ministerial Direction	Objective and Direction	Response
	ii. has obtained the approval of the Planning Secretary (or an officer of the Department nominated by the Secretary) prior to undertaking community consultation in satisfaction of Schedule 1 to the EP&A Act.	
1.4 Site Specific Provisions	<u>Objective</u> The objective of this direction is to discourage unnecessarily restrictive site specific planning controls <u>Direction</u> (1) A planning proposal that will amend another environmental planning instrument in order to allow particular development to be carried out must either: (a) allow that land use to be carried out in the zone the land is situated on, or (b) rezone the site to an existing zone already in the environmental planning instrument that allows that land use without imposing any development standards or requirements in addition to those already contained in that zone, or (c) allow that land use on the relevant land without imposing any development standards or requirements in addition to those already contained in the principal environmental planning instrument being amended. (2) A planning proposal must not contain or refer to drawings that show details of the proposed development.	Consistent. The Planning Proposal will enable changes to the planning controls applying to employment land across the Shire and will not introduce restrictive site specific provisions. As outlined in the Part 2 of this report, the permissibility of light industries will be restricted to the former B2 Local Centre zoned land and will not apply to former B1 Neighbourhood Centre zoned land. This is consistent with the recommendations of the Hornsby ELS, which recommends that light industries are permitted in larger local centres where the use would be unlikely to impact on overall centre function and would enable a greater diversity of employment generating uses and opportunities in locations with higher amenity and transport accessibility.
1.4A Exclusion of Development Standards from Variation	<u>Objective</u> The objective of this direction is to maintain flexibility in the application of development standards by ensuring that exclusions from the application of clause 4.6 of a Standard Instrument Local Environmental Plan (Standard Instrument LEP) or an equivalent provision of any other environmental planning instrument, are only applied in limited circumstances. <u>Direction</u> (1) In preparing a planning proposal the planning proposal authority must have regard to the Guide to exclusions from clause 4.6 of the Standard Instrument. (2) A planning proposal to which this direction applies must:	Consistent. The Planning Proposal does not propose to exclude a development standard from variation under clause 4.6 of the Hornsby LEP.

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Ministerial Direction	Objective and Direction	Response
	(a) minimise the exclusion of development standards from variation under clause 4.6 of a Standard Instrument LEP, or an equivalent provision of any other environmental planning instrument; and (b) not propose to exclude a development standard from variation under clause 4.6 of a Standard Instrument LEP, or an equivalent provision of any other environmental planning instrument unless the exclusion is consistent with the criteria in Part 2 of the Guide to exclusions from clause 4.6 of the Standard Instrument.	
1.22 Implementation of the Cherrybrook Station Place Strategy	<u>Objectives</u> The objectives of this direction are to: (a) facilitate development within the Cherrybrook Station Precinct that is consistent with the Cherrybrook Station Precinct Place Strategy, and (b) actively support the consistent delivery of objectives in the North District Plan and Greater Sydney Region Plan. <u>Direction</u> (1) A planning proposal authority must ensure that a planning proposal is consistent with the Cherrybrook Station Precinct Place Strategy, approved by the Minister for Planning and published on the Department of Planning and Environment website.	Consistent. The Planning Proposal does not seek to make any changes to permissible uses or development standards applying to land within the Cherrybrook Station Precinct.
3.1 Conservation Zones	<u>Objective</u> The objective of this direction is to protect and conserve environmentally sensitive areas. <u>Direction</u> (1) A planning proposal must include provisions that facilitate the protection and conservation of environmentally sensitive areas. (2) A planning proposal that applies to land within a conservation zone or land otherwise identified for environment conservation/protection purposes in a LEP must not reduce the conservation standards that apply to the land (including by modifying development standards that apply to the land). This requirement does not apply to a change to a development standard for minimum lot size for a dwelling in accordance with Direction 9.2 (2) of "Rural Lands"	Consistent. This Planning Proposal does not seek to make amendments to land within a conservation zone or land identified for environmental conservation/protection purposes.
3.2 Heritage Conservation	<u>Objective</u> The objective of this direction is to conserve items, areas, objects and places of environmental heritage significance and indigenous heritage significance.	Consistent.

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Ministerial Direction	Objective and Direction	Response
	<u>Direction</u> (1) A planning proposal must contain provisions that facilitate the conservation of: (a) items, places, buildings, works, relics, moveable objects or precincts of environmental heritage significance to an area, in relation to the historical, scientific, cultural, social, archaeological, architectural, natural or aesthetic value of the item, area, object or place, identified in a study of the environmental heritage of the area, (b) Aboriginal objects or Aboriginal places that are protected under the National Parks and Wildlife Act 1974, and (c) Aboriginal areas, Aboriginal objects, Aboriginal places or landscapes identified by an Aboriginal heritage survey prepared by or on behalf of an Aboriginal Land Council, Aboriginal body or public authority and provided to the relevant planning authority, which identifies the area, object, place or landscape as being of heritage significance to Aboriginal culture and people.	Due to the broad application of the Planning Proposal to employment zones across Hornsby Shire, the proposal would apply to land that contains heritage listed items as listed in Schedule 5 of the Hornsby LEP. The existing provisions contained within the Hornsby LEP and Hornsby DCP adequately conserve the heritage significance of listed items. No further provisions are required under this Planning Proposal to facilitate the conservation of heritage items due to the broad focus of the proposed amendments.
3.6 Strategic Conservation Planning	<u>Objective</u> The objective of this direction is to protect, conserve or enhance areas with high biodiversity value. <u>Direction</u> (1) A planning proposal authority must be satisfied that a planning proposal that applies to avoided land identified under the State Environmental Planning Policy (Biodiversity and Conservation) 2021 demonstrates that it is consistent with: (a) the protection or enhancement of native vegetation, (b) the protection or enhancement of riparian corridors, including native vegetation and water quality, (c) the protection of threatened ecological communities, threatened species and their habitats, (d) the protection or enhancement of koala habitat and corridors, and (e) the protection of matters of national environmental significance. (2) A planning proposal authority must be satisfied that a planning proposal that applies to a strategic conservation area identified under the State Environmental Planning Policy (Biodiversity and Conservation) 2021 demonstrates that it is consistent with: (a) the protection or enhancement of native vegetation,	Consistent The Planning Proposal does not apply to land identified as a strategic conservation area identified under the State Environmental Planning Policy (Biodiversity and Conservation) 2021.

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Ministerial Direction	Objective and Direction	Response
	(b) the minimisation of impacts on areas of regionally significant biodiversity, including threatened ecological communities, threatened species and their habitats, (c) the protection or enhancement of koala habitat and corridors, including habitat connectivity and fauna movement, and links to ecological restoration areas, and (d) the maintenance or enhancement of ecological function. (3) A planning proposal must not rezone land identified as avoided land in the State Environmental Planning Policy (Biodiversity and Conservation) 2021 to: (a) a rural, residential, employment, mixed use, SP1 Special Activities, SP2 Infrastructure, SP3 Tourist, SP4 Enterprise, SP5 Metropolitan Centre, RE2 Private Recreation, W4 Working Waterfront or equivalent zone. (4) A planning proposal must not rezone land identified as a strategic conservation area in the State Environmental Planning Policy (Biodiversity and Conservation) 2021 to: (a) RU4, RU5, RU6, residential, employment, mixed use, SP1 Special Activities, SP2 Infrastructure, SP3 Tourist, SP4 Enterprise, SP5 Metropolitan Centre, RE2 Private Recreation, W4 Working Waterfront or equivalent zone.	
3.10 Water Catchment Protection	<u>Objective</u> The objectives of this direction are to: (a) maintain and improve the water quality (including ground water) and flows of natural waterbodies, and reduce urban run-off and stormwater pollution (b) protect and improve the hydrological, ecological and geomorphological processes of natural waterbodies and their connectivity (c) protect and enhance the environmental quality of water catchments by managing them in an ecologically sustainable manner, for the benefit of all users (d) protect, maintain and rehabilitate watercourses, wetlands, riparian lands and their vegetation and ecological connectivity. <u>Direction</u> (1) When preparing a planning proposal, the planning proposal authority must be satisfied that the planning proposal achieves the following: (a) is consistent with the objectives of this direction, (b) is consistent with the Australian and New Zealand Guidelines for Fresh and Marine Water Quality, as published by Water Quality Australia, and any water quality management plan prepared in accordance with those guidelines,	Consistent. This amendments sought under this planning would have negligible impact on the ongoing water quality, habitats, groundwater, natural drainage lines or any other natural processes.

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Ministerial Direction	Objective and Direction	Response
	(c) includes documentation, prepared by a suitably qualified person(s), indicating whether the planning proposal: i. is likely to have an adverse direct, indirect or cumulative impact on terrestrial, aquatic or migratory animals or vegetation, and any steps taken to minimise such impacts ii. is likely to have an impact on periodic flooding that may affect wetlands and other riverine ecosystems iii. is likely to have an adverse impact on recreational land uses within the regulated catchment (d) identifies and considers the cumulative impact of the planning proposal on water quality (including groundwater) and flows of natural waterbodies and on the environment more generally, including on land adjacent to or downstream of the area to which this direction applies, (e) identifies how the planning proposal will: i. protect and improve environmental values, having regard to maintaining biodiversity, and protecting native vegetation, cultural heritage and water resources (including groundwater), ii. impact the scenic quality of the natural waterbodies and the social, economic and environmental interests of the community, iii. protect and rehabilitate land from current and future urban salinity, and prevent or restore land degradation, (f) considers any feasible alternatives to the planning proposal. (2) When preparing a planning proposal, the planning proposal authority must: (a) consult with the councils of adjacent or downstream local government areas where the planning proposal is likely to have an adverse environmental impact on land in that local government area, and (b) as far as is practicable, give effect to any requests of the adjacent or downstream council.	
4.1 Flooding	<u>Objective</u> The objectives of this direction are to: (a) ensure that development of flood prone land is consistent with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005, and	Consistent. Due to the broad application of the Planning Proposal to the Shire's employment lands and precincts, the proposal would apply to land that is flood prone. However, the Planning Proposal does not seek to rezone land or

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Ministerial Direction	Objective and Direction	Response
	(b) ensure that the provisions of an LEP that apply to flood prone land are commensurate with flood behaviour and includes consideration of the potential flood impacts both on and off the subject land. <u>Direction</u> (1) A planning proposal must include provisions that give effect to and are consistent with: (a) the NSW Flood Prone Land Policy, (b) the principles of the Floodplain Development Manual 2005, (c) the Considering flooding in land use planning guideline 2021, and (d) any adopted flood study and/or floodplain risk management plan prepared in accordance with the principles of the Floodplain Development Manual 2005 and adopted by the relevant council. (2) A planning proposal must not rezone land within the flood planning area from Recreation, Rural, Special Purpose or Conservation Zones to a Residential, Employment, Mixed Use, W4 Working Waterfront or Special Purpose Zones. (3) A planning proposal must not contain provisions that apply to the flood planning area which: (a) permit development in floodway areas, (b) permit development that will result in significant flood impacts to other properties, (c) permit development for the purposes of residential accommodation in high hazard areas, (d) permit a significant increase in the development and/or dwelling density of that land, (e) permit development for the purpose of centre-based childcare facilities, hostels, boarding houses, group homes, hospitals, residential care facilities, respite day care centres and seniors housing in areas where the occupants of the development cannot effectively evacuate, (f) permit development to be carried out without development consent except for the purposes of exempt development or agriculture. Dams, drainage canals, levees, still require development consent, (g) are likely to result in a significantly increased requirement for government spending on emergency management services, flood mitigation and emergency response measures, which can include but are not limited to the provision of road infrastructure, flood mitigation infrastructure and utilities, or (h) permit hazardous industries or hazardous storage establishments where hazardous materials cannot be effectively contained during the occurrence of a flood event.	change the existing requirements for development of land at or below the flood planning level. The existing controls contained within the Hornsby LEP, Hornsby DCP and relevant guidelines would continue to apply to any flood prone land.

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Ministerial Direction	Objective and Direction	Response
4.3 Planning for Bushfire Protection	Objective The objectives of this direction are to: (a) protect life, property and the environment from bush fire hazards, by discouraging the establishment of incompatible land uses in bush fire prone areas, and (b) encourage sound management of bush fire prone areas. Direction (1) In the preparation of a planning proposal the relevant planning authority must consult with the Commissioner of the NSW Rural Fire Service following receipt of a gateway determination under section 3.34 of the Act, and prior to undertaking community consultation in satisfaction of clause 4, Schedule 1 to the EP&A Act, and take into account any comments so made. (2) A planning proposal must: (a) have regard to Planning for Bushfire Protection 2019, (b) introduce controls that avoid placing inappropriate developments in hazardous areas, and (c) ensure that bushfire hazard reduction is not prohibited within the Asset Protection Zone (APZ). (3) A planning proposal must, where development is proposed, comply with the following provisions, as appropriate: (a) provide an Asset Protection Zone (APZ) incorporating at a minimum: i. an Inner Protection Area bounded by a perimeter road or reserve which circumscribes the hazard side of the land intended for development and has a building line consistent with the incorporation of an APZ, within the property, and ii. an Outer Protection Area managed for hazard reduction and located on the bushland side of the perimeter road, (b) for infill development (that is development within an already subdivided area), where an appropriate APZ cannot be achieved, provide for an appropriate performance standard, in consultation with the NSW Rural Fire Service. If the provisions of the planning proposal permit Special Fire Protection Purposes (as defined under section 100B of the Rural Fires Act 1997), the APZ provisions must be complied with, (c) contain provisions for two-way access roads which links to perimeter roads and/or to fire trail networks,	The Mount Kuring-Gai, Asquith, Dural and a small part of the Thornleigh industrial precincts contain bushfire prone land and many of the Shire's local centres are also located in bushfire prone land. The planning proposal relates to urbanised land currently used and zoned to permit a range of employment uses. The proposed amendments are simply a review and update of existing development standards that will enable greater utilisation of existing employment zoned land for employment purposes. The existing development controls contained within the Hornsby LEP and Hornsby DCP are considered sufficient to ensure that where development is proposed on bushfire prone land it is located and designed to minimise the risk to life and property from bushfires. Direction 4.3 states that the relevant planning authority must consult with the Commissioner of the NSW Rural Fire Service following the receipt of any gateway. The Gateway Determination requires a 30-working day consultation period with the NSW Rural Fire Service. In response, the Planning Proposal was provided to the NSW Rural Fire Service on 2 February 2026. On 17 March 2026 the NSW Rural Fire Service confirmed that it had no objection to the Planning Proposal proceeding to public exhibition.

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Ministerial Direction	Objective and Direction	Response
	(d) contain provisions for adequate water supply for firefighting purposes, (e) minimise the perimeter of the area of land interfacing the hazard which may be developed, (f) introduce controls on the placement of combustible materials in the Inner Protection Area.	On 10 April 2026, the RFS wrote to Council confirming that future development applications that are in proximity to bush fire prone land would be required to prepare bush fire assessment reports following the requirements of Planning for Bushfire Protection 2019. No additional information has been required prior to public exhibition.
4.4 Remediation of Contaminated Land	<u>Objective</u> The objective of this direction is to reduce the risk of harm to human health and the environment by ensuring that contamination and remediation are considered by planning proposal authorities. <u>Direction</u> (1) A planning proposal authority must not include in a particular zone (within the meaning of the local environmental plan) any land to which this direction applies if the inclusion of the land in that zone would permit a change of use of the land, unless: (a) the planning proposal authority has considered whether the land is contaminated, and (b) if the land is contaminated, the planning proposal authority is satisfied that the land is suitable in its contaminated state (or will be suitable, after remediation) for all the purposes for which land in the zone concerned is permitted to be used, and (c) if the land requires remediation to be made suitable for any purpose for which land in that zone is permitted to be used, the planning proposal authority is satisfied that the land will be so remediated before the land is used for that purpose. In order to satisfy itself as to paragraph 1(c), the planning proposal authority may need to include certain provisions in the local environmental plan. (2) Before including any land to which this direction applies in a particular zone, the planning proposal authority is to obtain and have regard to a report specifying the findings of a preliminary investigation of the land carried out in accordance with the contaminated land planning guidelines.	Consistent. The Planning Proposal does not seek a change of use of any industrial land. Development on any land that is subject to a change of use application would be assessed at the time a development application is received.
4.5 Acid Sulfate Soils	<u>Objective</u> The objective of this direction is to avoid significant adverse environmental impacts from the use of land that has a probability of containing acid sulfate soils.	Consistent.

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Ministerial Direction	Objective and Direction	Response
	<u>Direction</u> (1) The relevant planning authority must consider the Acid Sulfate Soils Planning Guidelines adopted by the Planning Secretary when preparing a planning proposal that applies to any land identified on the Acid Sulfate Soils Planning Maps as having a probability of acid sulfate soils being present. (2) When a relevant planning authority is preparing a planning proposal to introduce provisions to regulate works in acid sulfate soils, those provisions must be consistent with: (a) the Acid Sulfate Soils Model LEP in the Acid Sulfate Soils Planning Guidelines adopted by the Planning Secretary, or (b) other such provisions provided by the Planning Secretary that are consistent with the Acid Sulfate Soils Planning Guidelines. (3) A relevant planning authority must not prepare a planning proposal that proposes an intensification of land uses on land identified as having a probability of containing acid sulfate soils on the Acid Sulfate Soils Planning Maps unless the relevant planning authority has considered an acid sulfate soils study assessing the appropriateness of the change of land use given the presence of acid sulfate soils. The relevant planning authority must provide a copy of any such study to the Planning Secretary prior to undertaking community consultation in satisfaction of clause 4 of Schedule 1 to the Act. (4) Where provisions referred to under 2(a) and 2(b) above of this direction have not been introduced and the relevant planning authority is preparing a planning proposal that proposes an intensification of land uses on land identified as having a probability of acid sulfate soils on the Acid Sulfate Soils Planning Maps, the planning proposal must contain provisions consistent with 2(a) and 2(b).	The Brooklyn Local Centre is located on land identified as Class 5 on the Acid Sulfate Soils Map. The Planning Proposal does not alter existing Acid Sulfate Soil development controls contained within the Hornsby LEP or Hornsby DCP and does not propose the intensification of development on any potential Acid Sulfate Soil land.
5.1 Integrated Land Use and Transport	<u>Objective</u> The objective of this direction is to ensure that urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve the following planning objectives: (a) improving access to housing, jobs and services by walking, cycling and public transport, and (b) increasing the choice of available transport and reducing dependence on cars, and (c) reducing travel demand including the number of trips generated by development and the distances travelled, especially by car, and	Consistent. The planning proposal would create more opportunities for the community to both live and work locally. It also seeks to retain and increase employment opportunities in locations with higher amenity and transport accessibility through local provision to permit light industries in the E1 Local Centre zone

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Ministerial Direction	Objective and Direction	Response
	(d) supporting the efficient and viable operation of public transport services, and (e) providing for the efficient movement of freight. Direction (1) A planning proposal must locate zones for urban purposes and include provisions that give effect to and are consistent with the aims, objectives and principles of: (a) Improving Transport Choice – Guidelines for planning and development (DUAP 2001), and (b) The Right Place for Business and Services – Planning Policy (DUAP 2001).	(excluding those identified as Area 1 on the Land Zoning Map).
7.1 Industry and Employment	Objective The objectives of this direction are to: (a) encourage employment growth in suitable locations, (b) protect employment land in employment zones, and (c) support the viability of identified centres. Direction 1) A planning proposal must: (a) give effect to the objectives of this direction, (b) retain the areas and locations of Employment zones, (c) not reduce the total potential floor space area for employment uses and related public services in Employment Zones. (d) not reduce the total potential floor space area for industrial uses in E4, E5 and W4 zones, and (e) ensure that proposed employment areas are in accordance with a strategy that is approved by the Planning Secretary.	Consistent. This Planning Proposal includes a number of amendments which seek to support the vitality the Shire's centres through additional local provisions that will: • protect existing employment floor space in centres for employment uses • increase the diversity and range of employment opportunities in larger centres • encourage uses in centres that will attract pedestrian traffic Amendments 4, 5 and 6 of this Planning Proposal are being proposed to better protect, retain and improve the utilisation and appeal of the Shire's industrial precincts. This will be achieved through amendments that: • increase the height and FSR controls for industrial zoned land • Better protect the Shire's remaining industrial land from higher and better use encroachment, through

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Ministerial Direction	Objective and Direction	Response
		restrictions on the size of food and drink premises in E4 General Industrial zoned land. The Planning Proposal has been prepared as a result of the Hornsby ELS which was prepared in accordance with the Greater Sydney Region Plan and North District Plan and gives effect to the relevant objectives and priorities of these plans.

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Appendix B: Hornsby Shire Employment Lands Study

To download a copy please visit: <https://future.hornsby.nsw.gov.au/wp-content/uploads/2021/05/HSC5861-Hornsby-Employment-Land-Study-FA.pdf>

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Appendix C: Implementation Action Plan

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IMPLEMENTATION ACTION PLAN – HORNSBY EMPLOYMENT LAND STUDY			
Actions	Policy Affected	Timeframe	
Amend HDCP - Update the commercial centre hierarchy diagram and definitions in the DCP. - Include a maximum floorspace and design requirements for light industry uses in the B2 zone. - Include a ground level floor to ceiling height to maximise and protect the diversity of uses that can be accommodated in the B5 zone. - Remove or vary the maximum site cover provision to enable greater flexibility in design for industrial uses (Mount Kuring-Gai and Dural). Landscaping, parking and setback controls also to be considered when undertaking this action.	DCP	Short term < 2 years	
Amend HLEP (prepare a planning proposal) - Permit the following land uses: - Residential only as shop-top housing, or where a commercial premise is provided at the ground floor in the B1 zone. - Residential flat buildings only where a commercial premise is provided at the ground floor in the B2 and B4 zones. - Residential flat buildings only where a commercial premise or light industry is provided at the ground floor in the B6 zone. - Light industry and local distribution premises in the B2 zone. - Office premises, wholesale supplies and vehicle body repair workshops in the B5 zone. - Prohibit the following land uses: - Shop top housing in the B5 zone. - Neighbourhood supermarkets in the B5, B6, IN1 and IN2 zones.	LEP	Short term < 2 years	

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- Specialised retail premises in the IN1 and IN2 zones. - Residential accommodation in the SP3 Tourist zone. • Include a provision for no net loss of commercial floorspace in the B2 zone. • Increase building height control to 14.5m in the B5 zone. • Remove building height control in the IN1 zone, or alternatively increase building height to at least 16 metres to enable greater flexibility in built form design. • Include a local provision to restrict restaurant and retail sales in the IN1 and IN2 zones.		
Strategic actions • 1.2: Revitalise Pennant Hills to Thornleigh Corridor • 2.2: Increase the utilisation capacity of Hornsby B5 Urban Service Land • 2.3: Update the Employment Land Development Monitor (ELDM)	LSPS, LEP, DCP	Short term < 2years
Amend HDCP Review the current controls and prepare amendments to update the DCP: • Masterplans for Berowra, Galston, Mount Colah, and Pennant Hills. • Site requirements for minimum width along street frontage in town centres to enable feasible amalgamation of sites for redevelopment. • Site requirements for commercial floorplate maximum dimensions along retail frontage in B5 and B6 zones to enable large format premises.	DCP	Medium term < 4 years
Amend HLEP Review the following matters to determine whether to prepare a planning proposal to amend the LEP:	LEP	Medium term < 4 years

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- FSR and building height to ensure development feasibility in the B2 zone. - Minimum non-residential FSR in centres where future demand is anticipated in the B2 zone. - FSR and building height to enable higher density employment activities in the B6 zone. Consider FSR of 1:1 and building height of 14.5m in the B6 zone – subject to design and feasibility testing. - Permissible uses in the IN4 working waterfront zone, removing uses not dependent on access to water or would introduce reverse amenity impacts i.e. shop top housing. - Land in Mount Kuring-Gai and Asquith/ Hornsby industrial areas identified as potentially containing significant flora and fauna habitats for rezoning to environmental conservation or alternatively the suitability of the land for development. - Rezoning the Brickpit site in Thornleigh from IN2 Light Industrial to RE1 Public Recreation.		
Strategic actions 1.3: Grow Waitara into a vibrant eat street and convenience centre 1.4 Revitalise Asquith Village 1.5: Implement minimum non-residential FSR controls 1.6: Increase the industrial capacity of Mount Kuring-Gai and Asquith 1.7: Deliver better places of employment 3.1: Rezone land that no longer aligns with the function and role of the centre or employment precinct	LSPS, LEP, DCP	Medium term < 4 years
Strategic actions 2.1: Establish a pipeline of industrial land 2.4: Secure supply of enterprise and business development land 4.4: Partnerships with the health and social services industry, precinct planning 5.5: Early delivery of utility service	LSPS, LEP, DCP	Long Term < 6 years

Employment Lands Study

ATTACHMENT 1 - ITEM 6

HORNSBY SHIRE COUNCIL

Strategic actions to be implemented under Hornsby Town Centre Review		Policy Affected	Timeframe
1.1: Prioritise employment growth in the Hornsby Town Centre		LSPS, LEP, DCP	Short term < 2 years
Strategic actions to be implemented under the Economic Development and Tourism Strategy		Policy Affected	Timeframe
4.1: Attract knowledge intensive jobs in Hornsby Town Centre 4.2: Support the growth of agriculture, manufacturing and tourism 4.3: Explore synergies with local TAFE and Universities to develop training and education programs targeted to local industries 4.4: Partnerships with the health and social services industry, business cluster development 5.3: High-speed internet 6.3: Establish a clear economic identity for Hornsby LGA		LSPS, LEP, DCP	Long term < 6 years
Strategic actions to be implemented under the Integrated Land Use and Transport Strategy		Policy Affected	Timeframe
5.1: Road networks are appropriate to accommodate growth 5.2: Industrial and urban service areas have strong public transport connectivity 5.4: Sufficient provision of parking		LSPS, LEP, DCP	Long term < 6 years

Employment Lands Study

ATTACHMENT 1 - ITEM 6

HORNSBY SHIRE COUNCIL

Appendix D: Equivalent Zone Table

ATTACHMENT 1 - ITEM 6

Employment Lands Study

HORNSBY SHIRE COUNCIL

Equivalent zone tables



Hornsby Local Environmental Plan 2013

Current Business and Industrial Zones	Employment Zones
B1 Neighbourhood Centre B2 Local Centre	E1 Local Centre
B3 Commercial Core	E2 Commercial Centre
B4 Mixed Use	MU1 Mixed Use
B5 Business Development B6 Enterprise Corridor	E3 Productivity Support
IN1 General Industrial IN2 Light Industrial	E4 General Industrial
IN4 Working Waterfront	W4 Working Waterfront

ATTACHMENT 1 - ITEM 6



DRAFT

Hornsby Development Control Plan 2024

Part 5 Industrial



5 Industrial

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DRAFT

Introduction

This Part of the DCP applies to land within the industrial areas of Hornsby Shire. The industrial areas are located in Thornleigh, Mount Kuring-gai, Hornsby Heights, Asquith/ Hornsby and Dural Service Centre and includes land within the E4 General Industrial land use zone.

The planning controls for the industrial areas are informed by the Ku-ring-gai and Hornsby Subregional Employment Study (2008), the Dural Service Centre Retail and Commercial Study (2009) and the Hornsby Employment Land Study (2021).

The Hornsby Employment Land Study (2021) supports the Hornsby LSPS, providing a strategic framework to facilitate and accommodate future employment growth within Hornsby Shire. It outlines guiding principles, directions and actions such as increasing the industrial capacity of Mount Kuring-gai and Asquith and establishing a pipeline of industrial land. Implementation of the Employment Land Study's actions will inform changes to the development controls in this DCP.

Hornsby Shire's industrial land is competitively placed to attract industrial activity. Development in industrial areas will incorporate a range of employment generating land uses such as industry, transport related uses, warehousing and distribution. The industrial areas will also incorporate land uses that provide services to meet the day to day needs of workers in the area. Other land uses that are typically located in business centres, such as retail and offices, are to be limited within the industrial areas to reinforce the commercial centres hierarchy and ensure the most efficient use of infrastructure.

Development is to be sited and designed to be environmentally sustainable, minimise land use conflicts and operate under appropriate environmental management measures to manage waste and minimise air, water and noise pollution. Development will also be compatible with the scale, form, design, colour, height, materials, setbacks and landscaping of the surrounding area, in particular sensitive areas.

5.1 Industrial Land

The following section provides controls for the development of land zoned E4 General Industrial.

Note: Part 8 River Settlements of this DCP provides provisions for the W4 Working Waterfront zone.

5.1.1 Scale

Desired Outcomes

- Development with a height, scale and intensity compatible with the character of the area.
- Development that provides appropriate areas for access, car parking and landscaping.

Prescriptive Measures

Floor Space Ratio

- The maximum floor space ratio for industrial land shall be in accordance with the *HLEP Floor Space Ratio Map* as follows:

Table 5.1.1-a: Summary of HLEP FSR Provisions

HLEP Area	Maximum Floor Space Ratio
H	0.7:1
N	1:1

Note:

As detailed in Clause 4.5 of the HLEP, the Floor Space Ratio of buildings on a site is the ratio of the gross floor area of all buildings within the site to the site area. See the HLEP for the definition of gross floor area.

Height

- ~~The Sites with the following~~ maximum building heights ~~shall be in accordance with the -Height of Building Maps~~ under Clause 4.3 of the HLEP ~~should comply with the maximum number of storeys in Table 5.1.1 b.~~

Table 5.1.1 b: Translation of Height to Storeys

HLEP Area	Maximum Building Height (m)	Maximum Storeys (excluding basement car-parking)
K	10.5m	2 storeys
N	14.5m	3 storeys

- Basement car parking that protrudes more than 1 metre above existing ground level is counted as a storey.

Notes:

Building height (or height of building) means the vertical distance between ground level (existing) and the highest point of the building, including plant and lift overruns, but excluding communication devices, antennae, satellite dishes, masts, flagpoles, chimneys, flues and the like.

~~**Storey** means a space within a building that is situated between one floor level and the floor level next above, or if there is no floor above, the ceiling or roof above, but does not include:~~

- ~~A space that contains only a lift shaft, stairway or meter room, or~~
- ~~A mezzanine, or~~
- ~~An attic.~~

Basement means the space of a building where the floor level of that space is predominantly below ground level (existing) and where the floor level of the storey immediately above is less than 1 metre above ground level (existing).

Storey controls are based on a typical industrial floor to floor height of 4.5 metres and an allowance for some roof projections.

Site Coverage

- ~~d. The maximum site coverage for buildings within specific industrial areas should comply with Table 5.1.1 e.~~

Table 5.1.1 e: Maximum Site Coverage

Industrial Estate Area	Maximum Site Coverage
Dural Service Centre	35%
Mount Kuring-gai	50%

Notes:

~~The Dural Service Centre industrial area is located on the eastern side of New Line Road, extending from property No. 232 to 278 New Line Road, Dural.~~

~~Site coverage means the proportion of a site area covered by buildings. However, the following are not included for the purpose of calculating site coverage:~~

- ~~(a) Any basement;~~
- ~~(b) Any part of an awning that is outside the outer walls of a building and that adjoins the street frontage or other site boundary;~~
- ~~(c) Any eaves;~~
- ~~(d) Unenclosed balconies, decks, pergolas and the like.~~

~~Lot size (or site area) in relation to development, means the area of the lot to which an application for consent to carry out the development relates, excluding:~~

- ~~(a) Any land on which the development is not permitted under an environmental planning instrument, and~~
- ~~(b) If a lot is a battle-axe or other lot with an access handle, the minimum lot size excludes the area of the access handle.~~

Ancillary Office Space

- ~~e.d.~~ The maximum floor space permitted to be constructed/utilised for ancillary office purposes is 30 percent of the gross floor area within an individual premises.

Industrial Retail Outlet

- ~~f.e.~~ In accordance with Clause 5.4 of the HLEP, the retail floor area of an industrial retail outlet is the lesser of:

- (a) 10% of the gross floor area of the industry or rural industry located on the same land as the retail outlet, or
- (b) 100m².

Note:

Industrial retail outlet means a building or place that:

- (a) Is used in conjunction with an industry or rural industry, and
- (b) Is situated on the land on which the industry or rural industry is located, and
- (c) Is used for the display or sale (whether by retail or wholesale) of only those goods that have been manufactured on the land on which the industry or rural industry is located,

but does not include a warehouse or distribution centre.

5.1.2 Setbacks

Desired Outcomes

- Setbacks that complement the streetscape and allow for landscaping that reduces the visual mass of buildings.
- Setbacks that allow for the retention of significant landscape features and respect site constraints.

Prescriptive Measures

- Except as otherwise provided in this DCP, the minimum setbacks of all buildings and structures to the boundaries of the site are outlined in Table 5.1.2-a.

Table 5.1.2-a: Minimum Boundary Setbacks

Setback	Minimum Building Setback
Front Boundary (to all roads)	Mount Kuring-gai – 10m Dural Service Centre – 15m to New Line Road and 10m to local roads Other Areas – 5m to roads and 0m to laneways
Side Boundary	Mount Kuring-gai – 5m Dural Service Centre – 5m Other Areas – 0m, unless the land is within 5m of a sensitive area
Rear Boundary	Mount Kuring-gai – 5 10m Dural Service Centre – 4 5m Other Areas – 0m, unless the land is within 5m of a sensitive area
Land within 5m of a sensitive area	A minimum 5m separation between the industrial building/ structures and the property boundary of a sensitive area to provide for screen planting, except for land in Asquith refer to Figure 5.1-a.

b. Buildings with a frontage to Sefton Road, Thornleigh which exceed 10.5m in height, must have a minimum setback of 5m increased by 1m for every meter the building exceeds 10.5m in height.

b.c. Setback areas should not be used for storage, loading areas, or for the advertising of products.

e.d. The setback of buildings and ancillary facilities from the property boundary may need to be increased to maintain landscape features, as detailed in Section 5.1.3 of this DCP.

Note:

Sensitive areas include any adjoining residential lands, community uses, educational uses, public open spaces and recreational areas.

The Dural Service Centre industrial area is located on the eastern side of New Line Road, extending from property No. 232 to 278 New Line Road, Dural.

Setback Encroachments

d.e. The following minor structures are able to encroach into the prescribed setbacks:

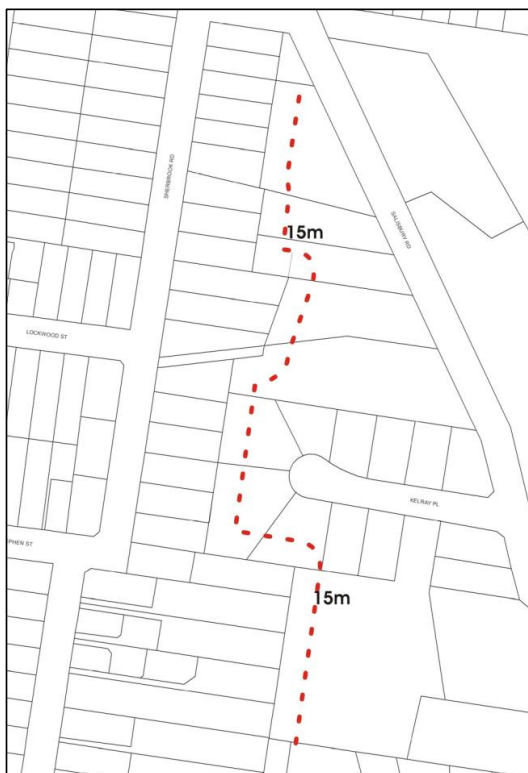
- Driveways or basement ramps up to 8 metres wide with deep soil verges at least 2 metres wide adjacent to the side boundary,
- Roof eaves and awnings,
- Sunshades and screens, and
- Blade columns which support roofs or sunshades.

Bushfire Asset Protection Zones (APZs)

e.f. The setback of buildings should accommodate required bushfire APZs on the site as detailed in the 'Bushfire' element in Section 1.3.3.1 of this DCP.

f.g. APZs should be located within buffer areas that protect significant vegetation, threatened species and populations as detailed in the 'Biodiversity' element in Section 1.3.1.1 of this DCP.

Figure 5.1-a: 15 metre wide setback at the western interface of the Asquith industrial area (C)



5.1.3 Landscaping

Desired Outcomes

- a. Landscaping that softens the visual impact of buildings.
- b. Landscaping that retains existing landscape features.

Prescriptive Measures

General

a. Landscaping should be included in building setback areas to complement the appearance of the building.

a-b. Landscaped areas should be designed to accommodate a minimum soil depth of 1m

b-c. A minimum of 50% of the required setback area to all public roads should be landscaped area. This landscaping is to extend along the full length of each street frontage (other than a vehicle entry/exit driveway).

e-d. Setbacks from sensitive areas should be fully landscaped.

d-e. Where landscaping is required for screening, landscape planting should achieve a mature height in scale with the structures of the site~~landscaping should include species that will grow to the height of the building.~~

e. Landscaping along Old Northern Road and New Line Roads should incorporate grass swales and dense vegetation planting.

Retention of Landscape Features

- f. The proposed building, ancillary structures, driveways, drainage, and service trenches should be setback:
 - In accordance with the 'Watercourses' element in Section 1.3.1.3 of this DCP,
 - 10-20 metres to significant bushland as detailed in the 'Biodiversity' element in Section 1.3.1.1 of this DCP, and
 - In accordance with the requirements of AS 4970 for significant trees to be retained.

Fencing

- g. In the Asquith and Mt Kuring-gai Industrial areas, fencing should not be provided in front of the building line.
- h. In other areas, any fencing provided in front of the building line to a public street should be palisade style in recessive colours (eg. black or dark green).
- i. Any masonry fence in front of the building line to a public street should not extend more than 3 metres either side of the driveway entrance.
- j. Any fencing between development and sensitive areas should be designed to maintain the amenity of the adjoining land uses.

Certain Land in Mount Kuring-gai and Asquith/Hornsby

- k. In addition to the above controls, certain industrial land in Mount Kuring-gai and Asquith/Hornsby has been identified as potentially containing significant flora and fauna habitats, as identified in Figure 5.1-b and Figure 5.1-c of this DCP. The siting of buildings and ancillary facilities should protect any significant flora and fauna habitats.

Notes:

Landscaped area means a part of a site used for growing plants, grasses, and trees, but does not include any building, structure, or hard paved area.

Sensitive areas include any adjoining residential lands, community uses, educational uses, public open spaces, and recreational areas.

The applicant is encouraged to incorporate plant species indigenous to Hornsby Shire as part of the development. Refer to Council's website www.hornsby.nsw.gov.au.

For further information on potentially containing significant flora and fauna habitats in Mount Kuring-gai and Asquith/Hornsby refer to the Review of Industrial Lands in the Hornsby Local Government Area by PSB dated October 2001.

Figure 5.1-b: Location of potentially significant flora and fauna habitats on industrial zoned land at Mount Kuring-gai (C)



Figure 5.1-c: Location of potentially significant flora and fauna habitats on industrial zoned land at Asquith/Hornsby (C)



5.1.4 Open Space

Desired Outcomes

- a. Development that provides adequate communal open space on-site for employees.

Prescriptive Measures

- a. An outdoor eating and sitting area should be provided on-site at a rate of 1m² per employee, with a minimum total area of 10m² and a minimum dimension of 2 metres.
- b. On-site communal areas should incorporate green space where possible.
- c. Communal seating and lunch gathering areas should be shaded in summer and have protected sunny areas in winter.
- d. Where an outdoor space cannot be accommodated on-site, an internal eating/sitting area is to be provided.

Note:

For the purposes of calculating the required communal open space area, the potential number of employees on a property is to be calculated using average employee density data. Examples of average employee densities are:

Commercial / Retail development - 1 employee / 30m² GFA

Industrial - 1 employee / 50m² GFA

Source: Hornsby Shire Section 7.11 Development Contributions Plan.

5.1.5 Sunlight

Desired Outcomes

- e. Development designed to provide reasonable sunlight to sensitive areas.

Prescriptive Measures

- f. On 22 June, public open space areas, plaza areas and footpaths should receive 2 hours of sunlight between 9am and 3pm to at least 50% of the area.
- g. On 22 June, 50% of the principal private open space in any adjoining residential property should receive 2 hours of unobstructed solar access.

Note:

Sensitive areas include any adjoining residential lands, community uses, educational uses, public open spaces and recreational areas.

5.1.6 Vehicle Access and Parking

Desired Outcomes

- a. Development that provides sufficient and convenient parking for residents and visitors with vehicular access that is simple, safe and direct.
- b. Developments that incorporate on-site service areas that provide for a range of industrial uses.

Prescriptive Measures

Vehicular Access

- a. Direct vehicular access to main roads should be avoided where alternative access is available via service lanes or local roads.
- b. For development in the Dural Service Centre, vehicular access to New Line Road should be via service lanes and vehicular access to Old Northern Road should be via service roads, in accordance with the Traffic Management Strategy (see Figure 5.1-d and Figure 5.1-e).

Parking

- c. Parking should be provided to the rear of buildings or below ground level.
- d. Parking may be considered in front setback areas where site constraints warrant. A maximum of 50% of the required front setback area should be used for carparking and driveway areas.
- e. Car parking should be screened from the street by landscaping.

Service Vehicles

- f. Each industrial unit/premises should have access to a loading and unloading area on-site.
- g. Where a development consists of multiple industrial units, at least 1 communal loading area that is capable of accommodating an articulated vehicle should be provided on-site.
- h. Loading areas should have minimum dimensions of 3 metres x 7 metres and have turning areas that comply with AS 2890.2, applicable to the size of vehicle that may service the site.

Note:

Refer to Part 1 General of the DCP for car parking, service vehicle, bicycle parking provisions and ancillary general design requirements.

5.1.7 Traffic Management Work

Desired Outcomes

- a. Traffic management works that provide for the safe and efficient movement of vehicles to, from and within precincts.

Prescriptive Measures

- a. Applicants should liaise with Transport for NSW and Council to determine the extent of any road works required along New Line Road, in accordance with the Traffic Management Strategy.
- b. Service lanes should be provided in accordance with the Traffic Management Strategy (see Figure 5.1-d and Figure 5.1-e).

Main Roads

Development adjoining roads that are subject to Section 2.119 of the Transport and Infrastructure SEPP require separate approval from TfNSW for access to State and Regional Roads as classified by TfNSW. A list of classified and unclassified main roads for Hornsby Shire is provided in Annexure C.

Figure 5.1-d: Dural Service Centre Traffic Management Strategy – Sheet 1 (C)

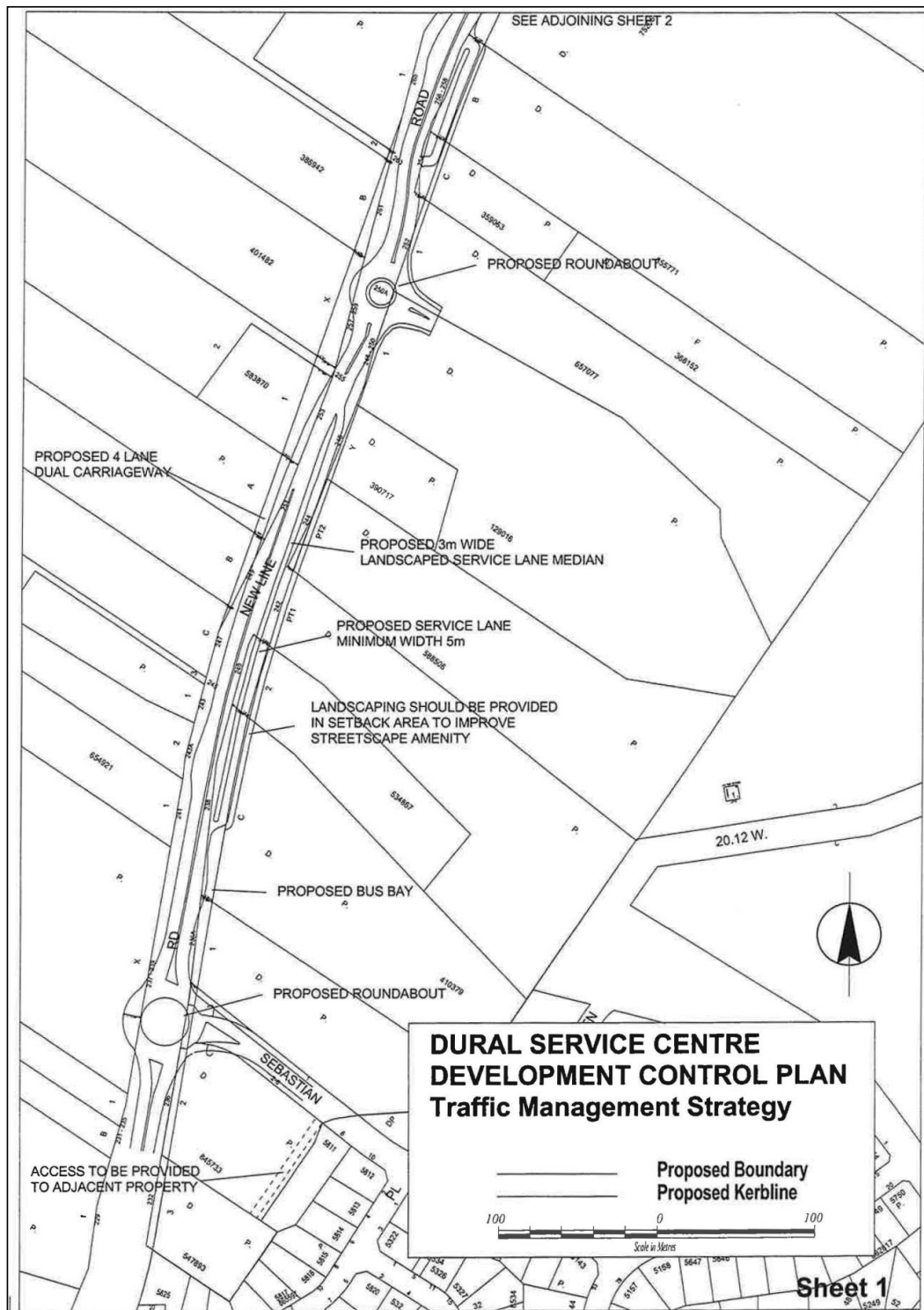
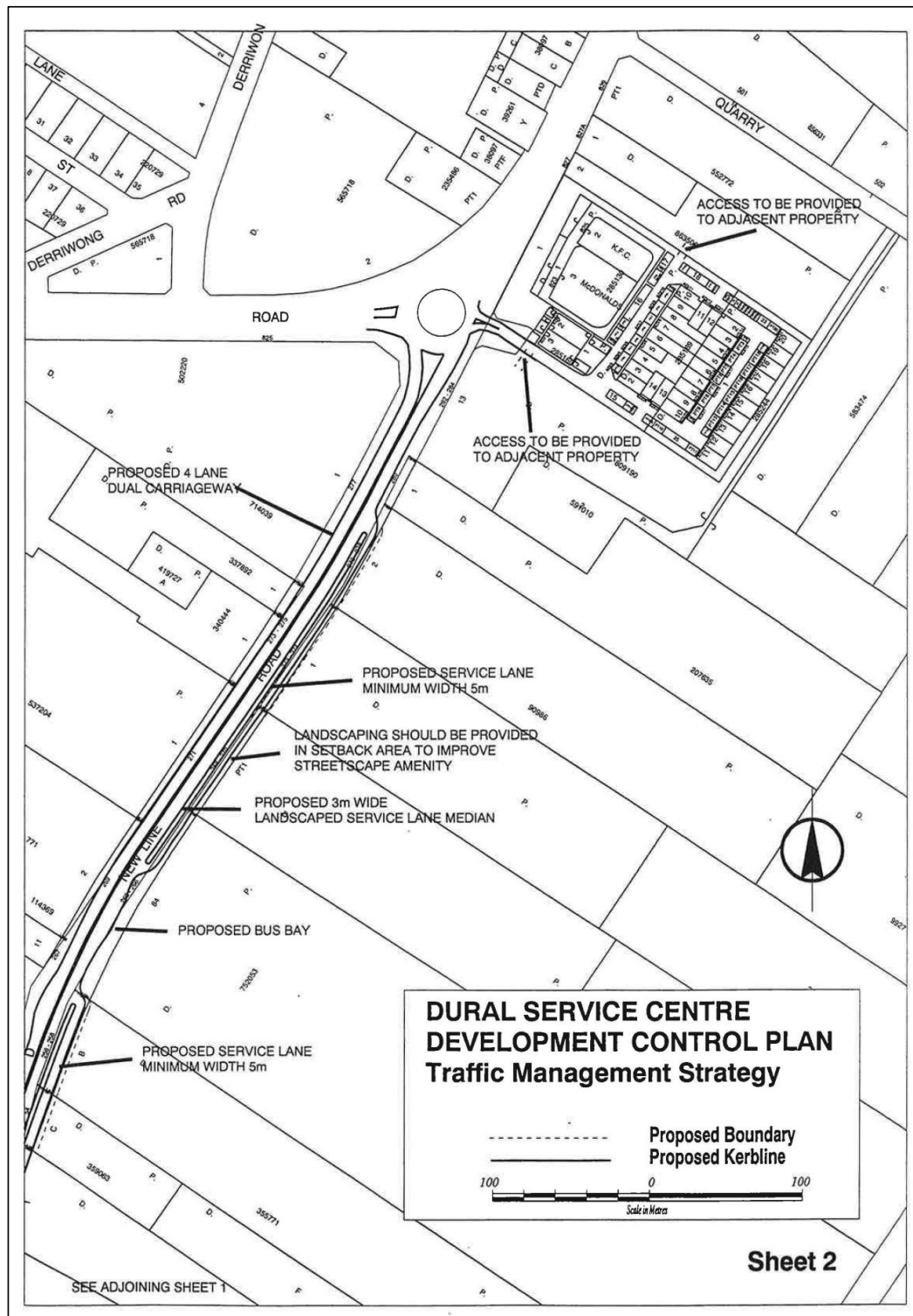


Figure 5.1-e: Dural Service Centre Traffic Management Strategy – Sheet 2 (C)



5.1.8 Design Details

Desired Outcomes

- a. Development that contributes positively to the streetscape.

Prescriptive Measures

General

- a. Facades should adopt a contemporary appearance, relating to the function of the building.
- b. The main entry to the building should be easily identifiable from the street and directly accessible from the front of the building or the driveway in the case of a multi-unit complex.
- c. Corner buildings should be designed to address both streets.
- d. Architectural features should be included in the design of new buildings to provide for a more visually interesting precinct. These may include:
 - Elements which punctuate the skyline,
 - Distinctive parapets or roof forms,
 - Visually interesting facades,
 - Architectural emphasis in the built form, and
 - A variety of window patterns.
- e. Other features that are encouraged include balustrades, pergolas, expressed structure and downpipes, glazed skylights, sun shading devices and distinctive entries.
- f. Roof fixtures and lift overruns or service plants should be incorporated into the design of the roof to minimise visual intrusiveness and support an integrated building design.

Colours and Materials

- g. Buildings in the Asquith, Mount Kuring-gai and Dural Service Centre industrial areas should have recessive colours and external finishes consistent with nearby bushland areas (i.e. grey greens, grey blues, browns etc).
- h. Colours in the Thornleigh industrial area should be consistent with the themes of adjoining development and enhance the visual amenity of the industrial precinct.
- i. Large areas of glass may be included, however, mirror glass with a reflectivity in excess of 15% should be avoided.

Storage Areas

- j. Outdoor storage areas should be located behind the front building setback and screened from view from adjoining sensitive areas.
- k. Development should make provision for an enclosed on-site waste and recycling facility that has a storage area to accommodate the waste generated from the development as detailed in the 'Waste Management' element in Section 1.3.2.3 of this DCP.
- l. Above ground liquid storage facilities, including waste, should be located in a covered bunded area constructed of impervious materials.

5.2 Sex Service Premises

HLEP Clause 6.7 contains provisions for the location of sex services premises. The following provides provisions for the use of a premises for sex services in the E4 General Industrial Zone, in addition to the building controls provided elsewhere in this DCP.

Note:

Sex services premises means a brothel but does not include home occupation (sex services).

5.2.1 Location

Desired Outcomes

- a. Sex services premises that are discreetly located and appropriately separated from sensitive land uses.
- b. Sex services premises that are not located in proximity to another brothel so as to create a concentration or cluster of brothels.

Prescriptive Measures

- a. Under the HLEP sex services premises are only permissible with Council consent in the E4 General Industrial Zone.
- b. Sex services premises should not adjoin or be clearly visible from:
 - Schools, educational institutions for young people or places where children and adolescents regularly gather,
 - where worshippers regularly gather,
 - bus stops regularly used by school buses, or
 - any other place likely to be regularly frequented by children.
- c. When sex services premises front the street, premises should be located on upper levels of buildings rather than the ground floor.

Note:

For planning principles on the location of sex services premises refer to case Yao v Liverpool City Council [2017] NSWLEC 1167 available on the NSW Land and Environment Court website at www.lec.nsw.gov.au/lec/practice-and-procedure/principles/planning-principals.html.

5.2.2 Design Details

Desired Outcomes

- a. Sex services premises that are modest in scale and discreet in design, to limit the potential for adverse environmental impacts.
- b. Sex services premises that are designed to maximise the safety and security of staff, clients and the general public by upholding the principles of Crime Prevention Through Environmental Design (CPTED).
- c. Sex services premises that provide facilities to assist in the implementation of best practice health standards.

Prescriptive Measures

General

- a. The scale of the premises should be limited to:
 - a maximum of 5 workrooms that provide sex services, and
 - a maximum gross floor area of 160m².
- b. The pedestrian entrance should be:
 - via the public domain and not via another business/ premises, and
 - discreet in design, not excessively bright in light or colour.
- c. The interior of the premises should not be visible from adjoining or surrounding premises or the public domain.
- d. Appropriate noise shielding or attenuation techniques should be incorporated into the design of the building to prevent noise transmitting outside the premises.
- e. The building should be designed to accommodate facilities and amenities consistent with SafeWork guidelines.

HORNSBY DEVELOPMENT CONTROL PLAN 2024 | INDUSTRIAL

Common Areas

- f. A reception/waiting area within the front of the premises should be provided for clients.
- g. Food and drinks should not be served to clients.
- h. A safe and accessible staff room that includes facilities for food and beverage preparation should be provided.
- i. A minimum of two receptacles should be provided either in the laundry or another readily accessible area of the premises for the separate storage of clean linen and used linen.
- j. Facilities or arrangements should be provided for the cleaning of linen including either the use of commercial laundering or on-site facilities.

Equitable Access

- k. Access for people with a disability should be provided. For example, where a sex services premises is located on an upper level, a chair lift may be required.
- l. All common areas and facilities, including toilets, should be suitable for use by people with a disability.

Safety and Security

- m. New buildings or alterations and additions should avoid alcoves, entrapment spaces and blind corners internally and externally.
- n. In existing buildings, where no new works are proposed, lighting should illuminate existing entrapment spots and mirrors provided to improve sightlines around blind corners.
- o. Casual surveillance should be provided to pedestrian access pathways and car parks.
- p. Barriers, such as landscaping and fencing, should be low in height or visually permeable to prevent obstructing site lines between the street and the building, in particular the entrance.
- q. In consultation with police, a Plan of Management (POM) should be submitted with the development application addressing safety and security measures, including:

- Lighting of access/egress routes and existing entrapment spots but avoiding light spillage, particularly to adjacent sensitive areas,
- Security cameras located in public areas, such as entries, hallways, stairs and car parking areas,
- Workroom doors without locks,
- Security grills on windows able to be opened from inside,
- A security alarm/intercom connected from each workroom to a central base, such as reception, and
- External storage areas, including waste storage, secured to avoid creating hiding places or potential entrapment spots and unauthorised access.

Signage

- r. A maximum of 1 external sign per premises with a maximum area of 0.5m².
- s. The sign should only indicate the address and contact number.
- t. A clearly visible street number should be displayed on the premises to avoid disturbance to surrounding premises arising out of confusion as to the location of the premises.
- u. The sign may be illuminated only during operating hours.
- v. Flashing, moving and/or neon signs are not permitted.
- w. Sex workers or sex related products should not be displayed from windows, the front door or outside of the premises.
- x. Spruikers (staff at the door or outside of the premises who encourage patrons to enter) are not permitted.

Note:

For guidelines on amenities, refer to the SafeWork Health and safety guidelines for sex services premises in NSW.

For further information on CPTED refer to Section 1.3.2.7 of this DCP.

Sensitive areas include any adjoining residential lands, community uses, educational uses, public open spaces and recreational areas



Department of Planning, Housing and Infrastructure

Gateway Determination

Planning proposal (Department Ref: PP-2025-1608): Amend Hornsby Local Environmental Plan (LEP) 2013 to implement short-term recommendations from the Hornsby Employment Lands Study (2021) and Implementation Action Plan (2021) to support economic growth and improved utilisation of employment lands.

I, the Director, Local Planning (North, East and Central Coast) at the Department of Planning, Housing and Infrastructure, as delegate of the Minister for Planning and Public Spaces, have determined under section 3.34(2) of the *Environmental Planning and Assessment Act 1979* (the Act) that an amendment to Hornsby LEP 2013 should proceed subject to the following :

The Council as planning proposal authority is authorised to exercise the functions of the local plan-making authority under section 3.36(2) of the Act subject to the following:

- (a) the planning proposal authority has satisfied all the conditions of the gateway determination;
- (b) the planning proposal is consistent with applicable directions of the Minister under section 9.1 of the Act or the Secretary has agreed that any inconsistencies are justified; and
- (c) there are no outstanding written objections from public authorities.

The LEP should be completed on or before 9 October 2026.

Gateway Conditions

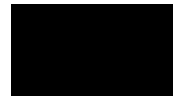
1. Prior to exhibition, the planning proposal is to be amended to:
 - a. Include an advisory to clarify that any draft local environmental plan clauses are indicative only and will be subject to drafting by Parliamentary Counsel's Office, should the proposal progress to finalisation.
 - b. Confirm the intended outcome for the active street requirement where development may be inclusive of multiple street frontages or laneways.
 - c. Update Figure 1 (Employment zones and industrial precincts across the Shire) of the planning proposal report to reflect the current employment zones introduced through the NSW Government's Employment Zone Reforms (2023), ensuring all mapping is up-to-date for public exhibition.
 - d. Address Local Planning Directions 4.1 Flooding and 4.3 Planning for Bushfire Protection.
 - e. Update the planning proposal report (if required) following consultation with the NSW Rural Fire Service.
 - f. Update the project timeline in the Planning Proposal to reflect the Department's recommended LEP completion date.
2. Public exhibition is required under section 3.34(2)(c) and clause 4 of Schedule 1 to the Act as follows:
 - a. the planning proposal is categorised as standard as described in the *Local Environmental Plan Making Guideline* (Department of Planning and

PP-2025-1608 (IRF25/2454)

Environment, August 2023) and must be made publicly available for a minimum of 20 working days; and

- b. the planning proposal authority must comply with the notice requirements for public exhibition of planning proposals and the specifications for material that must be made publicly available along with planning proposals as identified in *Local Environmental Plan Making Guideline* (Department of Planning and Environment, August 2023).
3. Consultation is required with the following public authorities and government agencies under section 3.34(2)(d) of the Act and/or to comply with the requirements of applicable directions of the Minister under section 9 of the Act:
 - NSW Rural Fire ServiceEach public authority is to be provided with a copy of the planning proposal and any relevant supporting material via the NSW Planning Portal and given at least 30 working days to comment on the proposal.
4. A public hearing is not required to be held into the matter by any person or body under section 3.34(2)(e) of the Act. This does not discharge Council from any obligation it may otherwise have to conduct a public hearing (for example, in response to a submission or if reclassifying land).

Dated 8 December 2025



Jazmin van Veen
Director, Local Planning (North, East and Central Coast)
Planning Land Use Strategy, Housing and Infrastructure
Department of Planning, Housing and Infrastructure

Delegate of the Minister for Planning and Public Spaces

PP-2025-1608 (IRF25/2454)

ATTACHMENT/S

REPORT NO. IM2/26

ITEM 7

1. REVISED POL00266 VEHICULAR CROSSING POLICY



POLICY REGISTER

POLICY TITLE:	VEHICULAR CROSSINGS	
FOLDER NUMBER:	F2007/00307	
POLICY OWNER / DIVISION:	Infrastructure and Major Projects	
POLICY OWNER / BRANCH:	Infrastructure Operations	
FUNCTION:	Construction Management	
RELEVANT LEGISLATION:	Road Act 1993	
POLICY ADOPTION/AMENDMENT DATE:	<u>12 August 2026</u>	REPORT NUMBER: <u>IM2/26</u>
REVIEW YEAR:	2029	
AMENDMENT HISTORY:	11 June 2003 (Report WK39/03) 14 JULY 2004 (REPORT WK37/04) 13 JUNE 2007 (REPORT WK34/07) 10 June 2009 (Report WK20/09) 15 June 2011 (Report WK15/11) 18 December 2013 (Report IR26/13) 18 December 2013 (Report IR26/13) 9 September 2015 (Report IR27/15) 14 November 2018 (Report IR9/18) 14 December 2022 (Report IM6/22) <u>10 September 2025 (Report IM3/25)</u>	

RELATED POLICIES: Footpath Levels – Alterations Policy

POLICY PURPOSE / OBJECTIVES:

1. To provide satisfactory vehicle access from the road pavement to properties.

POLICY STATEMENT:

1. At the request of the owner, Council will construct layback and/or special crossings, to standard design, at owner's cost. Council will permit authorised contractors to construct laybacks and crossings to Council's specifications on payment of the requisite fees.
2. At the request of the owner and where no kerb and gutter exists, Council will construct laybacks or pipes and/or special crossings according to circumstances at the owner's cost. Where laybacks are constructed, the shoulder immediately adjacent will be constructed by the authorised contractor including sealing with asphalt.

3. Where action contrary to this policy is affected in such a way as to cause gutter blockages and/or public danger, notice will be served on the owner to remove, reinstate or construct an approved crossing. If a reply is not received within 28 days, action will be taken to carry out minimum requirements to rectify problem and the owner debited with costs.
 4. Special Crossings are permitted in plain concrete with a broom or wood float finish. Oxide colouring and pavers to Vehicular Crossing Specification are permitted at Council discretion. Asphaltic concrete crossings are only permitted in rural areas where kerb and gutter does not exist. Restoration will only be carried out in a plain concrete or asphaltic concrete as applicable.
 5. Council will not be responsible for any repairs or maintenance of special crossings.
 6. Repairs or maintenance carried out to special crossings are at the property owner's cost whether such request is by the owner or determined necessary by Council.
 7. For works undertaken by Council full payment prior to construction is required.
 8. Vehicular "tracks" across the footway are not permitted.
 9. ~~Circular driveways and second crossings are not permitted. The only exception will be at locations where improved safety is a key consideration.~~
Council will generally permit a maximum of one vehicular crossing per property.
- Exceptions on merit may include:
- Rural lots
 - Dual Occupancy developments
 - Multiple street frontages
 - Locations where improved safety is a key consideration
 - Proposed Complying Development
10. More than one (1) vehicular crossing may only be considered where approval has been granted via a Development Application.
 11. Additional crossings must be in accordance with Council's Vehicular Crossing Specification. Each crossing will require a separate application.
 12. An application can be made to Council to obtain boundary levels at street frontage. Such boundary levels are issued for design purposes only and will not be taken as approval for multiple crossings.
 13. Construction advice for crossings will only be issued after necessary planning approval has been obtained.

APPLICABLE LEGISLATION :

1. NSW Roads Act 1993
2. Local Government Act 1993
3. Hornsby Development Control Plan 2025